ARIZONA HOUSE OF REPRESENTATIVES Fifty-sixth Legislature - First Regular Session

CAUCUS AGENDA

February 14, 2023

Bill Number Short Title Committee Date Action

Committee on Commerce

Chairman: Justin Wilmeth, LD 2 Vice Chairman: Michael Carbone, LD 25

Analyst: Paul Benny Intern: Haley Garcia

HB 2005_(BSD) foreign captive insurers; definition

SPONSOR: LIVINGSTON, LD 28 HOUSE

COM 1/17/2023 DP (9-1-0-0)

(No: SUN)

HB 2006_(BSI) insurance; liquidity; financial assessment

SPONSOR: LIVINGSTON, LD 28 HOUSE

COM 1/24/2023 DP (10-0-0-0)

HB 2007_(BSI) group excess liability insurance

(COM S/E: insurance; group excess liability)

SPONSOR: LIVINGSTON, LD 28 HOUSE

COM 1/31/2023 DPA/SE (10-0-0-0)

HB 2010_(BSD) banking; licensing; fees

SPONSOR: LIVINGSTON, LD 28 HOUSE

COM 1/17/2023 DPA (10-0-0-0)

HB 2011_(BSI) state board of accountancy; continuation

SPONSOR: LIVINGSTON, LD 28 HOUSE

COM 1/17/2023 DP (10-0-0-0)

HB 2019_(BSD) licensing; permitting; criteria; clarity

SPONSOR: GRANTHAM, LD 14 HOUSE

COM 1/31/2023 DP (7-3-0-0)

(No: AGUILAR, SUN, AUSTIN)

HB 2066_(BSI) banks; financial institutions; personal information

SPONSOR: CARTER, LD 15 HOUSE

COM 2/7/2023 DPA (10-0-0-0)

HB 2197_(BSD) wills; electronic signatures; requirements

SPONSOR: WILMETH, LD 2 HOUSE

COM 1/24/2023 DP (10-0-0-0)

HB 2198_(BSI) claimant; guardian ad litem; procedure

SPONSOR: WILMETH, LD 2 HOUSE

COM 1/31/2023 DP (10-0-0-0)

HB 2252_(BSD) inmates; documentation; workforce reentry

SPONSOR: WILMETH, LD 2 HOUSE

COM 1/24/2023 DPA (10-0-0-0)

HB 2381_(BSD) mobile homes; recreational vehicles; fund

SPONSOR: GRESS, LD 4 HOUSE

COM 1/31/2023 DPA (9-0-1-0)

(Present: HENDRIX)

HB 2472_(BSI) social credit; use; prohibition

SPONSOR: MONTENEGRO, LD 29 HOUSE

COM 1/31/2023 DP (6-4-0-0)

(No: AGUILAR, ORTIZ, SUN, AUSTIN)

HB 2498_(BSI) do-not-call list; text messages

SPONSOR: GRIFFIN, LD 19 HOUSE

COM 1/31/2023 DP (10-0-0-0)

HB 2555_(BSI) businesses; requirement to accept cash

SPONSOR: CHAPLIK, LD 3 HOUSE

COM 2/7/2023 DP (10-0-0-0)

Committee on Education

Chairman: Beverly Pingerelli, LD 28 Vice Chairman: David Marshall, Sr., LD 7

Analyst: Chase Houser Intern: Sisto Jacobo

HB 2057_(BSI) classroom-based preparation program; employment

SPONSOR: DIAZ, LD 19 HOUSE

ED 1/24/2023 DP (9-0-0-1)

(Abs: COOK)

HB 2291_(BSD) school districts; superintendents; contracts

SPONSOR: COOK, LD 7 HOUSE

ED 1/24/2023 DP (8-2-0-0)

(No: GUTIERREZ, SCHWIEBERT)

HB 2428_(BSI) private universities; Arizona teachers academy

SPONSOR: GRESS, LD 4 HOUSE

ED 1/31/2023 DP (6-4-0-0)

(No: GUTIERREZ, PAWLIK, SCHWIEBERT, TERECH)

HB 2456_(BSD) ASDB; continuation

SPONSOR: PINGERELLI, LD 28 HOUSE

ED 1/31/2023 DP (10-0-0-0)

HB 2458_(BSI) race; ethnicity; prohibited instruction

SPONSOR: PINGERELLI, LD 28 HOUSE

ED 1/31/2023 DP (6-4-0-0)

(No: GUTIERREZ, PAWLIK, SCHWIEBERT, TERECH)

HB 2459_(BSI) schools; governing board members; employment

SPONSOR: PINGERELLI, LD 28 HOUSE

ED 1/24/2023 DP (9-1-0-0)

(No: PAWLIK)

HB 2460_(BSD) suspension; requirements; K-4 students

SPONSOR: PINGERELLI, LD 28 HOUSE

ED 1/24/2023 DP (8-2-0-0)

(No: GUTIERREZ, TERECH)

HB 2523_(BSI) schools; pledge of allegiance; requirement

SPONSOR: PARKER B, LD 10 HOUSE

ED 2/7/2023 DP (6-4-0-0)

(No: GUTIERREZ, PAWLIK, SCHWIEBERT, TERECH)

Committee on Government

Chairman: Timothy M. Dunn, LD 25 **Vice Chairman:** John Gillette, LD 30 **Analyst:** Frank Komadina **Intern:** Joshua Bennion

HB 2017_(BSI) public officers; residency requirements

SPONSOR: DUNN, LD 25 HOUSE

GOV 1/18/2023 DP (9-0-0-0)

HB 2044_(BSI) municipal general plan; adoption

SPONSOR: BLISS, LD 1 HOUSE

GOV 1/25/2023 DPA (9-0-0-0)

HB 2052_(BSI) counties; advertising contracts; term; notice

SPONSOR: DUNN, LD 25 HOUSE

GOV 1/25/2023 DP (9-0-0-0)

HB 2143_(BSI) rulemaking review; time frame

SPONSOR: DUNN, LD 25 HOUSE

GOV 1/25/2023 DP (9-0-0-0)

HB 2171_(BSD) Don Bolles memorial.

SPONSOR: LONGDON, LD 5 HOUSE

GOV 1/25/2023 DP (9-0-0-0)

HB 2210_(BSD) library trustees; annual report

SPONSOR: WILMETH, LD 2 HOUSE

GOV 1/25/2023 DP (9-0-0-0)

HB 2214_(BSI) session law; font color

SPONSOR: GRIFFIN, LD 19 HOUSE

GOV 1/25/2023 DP (9-0-0-0)

HB 2225_(BSD) ADOA; alternative routes applicants

SPONSOR: GRESS, LD 4 HOUSE

GOV 2/1/2023 DP (9-0-0-0)

HB 2298_(BSI) planned community authority; public roadways

SPONSOR: CARTER, LD 15 HOUSE

GOV 2/8/2023 DP (8-1-0-0)

(No: PAYNE)

HB 2379_(BSI) hotel; motel; vouchers; homeless; prohibition

SPONSOR: GRESS, LD 4 HOUSE

GOV 2/1/2023 DP (5-4-0-0) (No: BRAVO, HERNANDEZ L, LONGDON, PESHLAKAI)

HB 2536_(BSD) administrative review; approvals; developments.

SPONSOR: TOMA, LD 27 HOUSE

GOV 2/8/2023 DPA (8-0-0-1)

(Abs: MONTENEGRO)

HB 2545_(BSI) legislators; unpaid leave of absence

SPONSOR: MCGARR, LD 17 HOUSE

GOV 2/8/2023 DP (8-1-0-0)

(No: MONTENEGRO)

HB 2547_(BSI) zoning ordinances; property rights; costs

SPONSOR: TOMA, LD 27 HOUSE

GOV 2/8/2023 DP (9-0-0-0)

HCM 2007_(BSI) state immigration enforcement; urging Congress

SPONSOR: GRIFFIN, LD 19 HOUSE

GOV 2/8/2023 DP (5-4-0-0)

(No: BRAVO, HERNANDEZ L, LONGDON, PESHLAKAI)

Committee on Health & Human Services

Chairman: Steve Montenegro, LD 29 Vice Chairman: Barbara Parker, LD 10

Analyst: Ahjahna Graham Intern: Kira McNeill

HB 2037_(BSI) dentists; registration; civil penalty; repeal

SPONSOR: BLISS, LD 1 HOUSE

HHS 1/23/2023 DP (9-0-0-0)

HB 2042_(BSD) acute care services; pilot program

SPONSOR: BLISS, LD 1 HOUSE

HHS 1/30/2023 DP (9-0-0-0)

HB 2046_(BSD) board of psychologist examiners

SPONSOR: BLISS, LD 1 HOUSE

HHS 1/30/2023 DP (7-1-0-1)

(No: PARKER B Abs: GRESS)

HB 2211_(BSI) supplemental nutrition assistance program; eligibility

SPONSOR: WILMETH, LD 2 HOUSE

HHS 1/30/2023 DP (9-0-0-0)

HB 2473_(BSI) dental hygienists; scope of practice

SPONSOR: MONTENEGRO, LD 29 HOUSE

HHS 1/23/2023 DP (9-0-0-0)

HB 2474_(BSD) school immunizations; exclusions

SPONSOR: MONTENEGRO, LD 29 HOUSE

HHS 1/30/2023 DP (5-4-0-0)

(No: CONTRERAS P, HERNANDEZ A, MATHIS, SHAH)

HB 2529_(BSI) scope of practice; process; repeal.

SPONSOR: MONTENEGRO, LD 29 HOUSE

HHS 2/6/2023 DP (5-4-0-0)

(No: CONTRERAS P, MATHIS, PINGERELLI, SHAH)

Committee on Judiciary

Chairman: Quang H. Nguyen, LD 1 **Vice Chairman:** Selina Bliss, LD 1 **Analyst:** Justin Larson **Intern:** Grace Crounse

HB 2055_(BSI) probation; work time credits; reporting.

SPONSOR: BLISS, LD 1 HOUSE

JUD 1/25/2023 DP (8-0-0-0)

HB 2168_(BSI) Good Samaritan; medical assistance

SPONSOR: NGUYEN, LD 1 HOUSE

JUD 2/1/2023 DP (8-0-0-0)

HB 2169_(BSD) sexual conduct; minor; classification; sentence

SPONSOR: NGUYEN, LD 1 HOUSE

JUD 1/25/2023 DP (4-3-1-0)

(No: CONTRERAS L, HERNANDEZ M, ORTIZ Present: KOLODIN)

HB 2212_(BSI) criminal damage; trespassing; critical facilities

SPONSOR: GRIFFIN, LD 19 HOUSE

JUD 1/25/2023 DP (5-3-0-0)

(No: CONTRERAS L, HERNANDEZ M, ORTIZ)

HB 2296_(BSI) probationers; prisoners; search; seizure authority

(JUD S/E: probationers; search; seizure authority)

SPONSOR: CARTER, LD 15 HOUSE

JUD 2/8/2023 DPA/SE (4-3-0-1) (No: CONTRERAS L, HERNANDEZ M, ORTIZ Abs: MCGARR)

HB 2297_(BSD) fraudulent schemes; artifices; jurisdiction

SPONSOR: CARTER, LD 15 HOUSE

JUD 2/8/2023 DP (5-3-0-0)

(No: CONTRERAS L, HERNANDEZ M, ORTIZ)

HB 2394_(BSI) firearms; sovereign authority

SPONSOR: SMITH, LD 29 HOUSE

JUD 2/1/2023 DP (5-3-0-0)

(No: CONTRERAS L, HERNANDEZ M, ORTIZ)

HB 2427_(BSD) domestic violence; pregnant victim; sentencing

SPONSOR: GRESS, LD 4 HOUSE

JUD 1/25/2023 DP (5-2-1-0)

(No: CONTRERAS L, ORTIZ Present: HERNANDEZ M)

HB 2502_(BSI) child support; date of pregnancy

SPONSOR: GRESS, LD 4 HOUSE

JUD 2/1/2023 DP (5-3-0-0)

(No: CONTRERAS L, HERNANDEZ M, ORTIZ)

HB 2516_(BSI) child abuse; investigations; forensic interview

SPONSOR: PARKER B, LD 10 HOUSE

JUD 2/1/2023 DP (8-0-0-0)

Committee on Land, Agriculture & Rural Affairs

Chairman:Lupe Diaz, LD 19Vice Chairman:Michele Peña, LD 23Analyst:Paul BergelinIntern:Abigail Hobson

HB 2375_(BSI) state land transfer; Bullhead City SPONSOR: BIASIUCCI, LD 30 HOUSE

LARA 1/30/2023 DP (8-0-1-0)

(Present: GRIFFIN)

HB 2505_(BSI) outdoor recreation coordinating commission; continuation

SPONSOR: DIAZ, LD 19 HOUSE

LARA 2/6/2023 DPA (9-0-0-0)

HB 2506_(BSI) Arizona state parks board; continuation

SPONSOR: DIAZ, LD 19 HOUSE

LARA 2/6/2023 DPA (9-0-0-0)

HCM 2002_(BSI) federal lands; housing shortage SPONSOR: GRIFFIN, LD 19 HOUSE

LARA 2/6/2023 DP (5-4-0-0)

(No: HERNANDEZ C, HERNANDEZ L, SANDOVAL, SEAMAN)

HCM 2004_(BSI) urging Congress; national forest health

SPONSOR: GRIFFIN, LD 19 HOUSE

LARA 2/6/2023 DP (5-4-0-0) (No: HERNANDEZ C, HERNANDEZ L, SANDOVAL, SEAMAN)

HCM 2005_(BSI) hunting; angling; wildlife conservation

SPONSOR: GRIFFIN, LD 19 HOUSE

LARA 2/6/2023 DP (9-0-0-0)

HR 2002_(BSD) securing America's lands; foreign interference

SPONSOR: GRIFFIN, LD 19 HOUSE

LARA 1/30/2023 DP (8-1-0-0)

(No: SANDOVAL)

Committee on Military Affairs & Public Safety

Chairman:Kevin Payne, LD 27Vice Chairman:Rachel Jones, LD 17Analyst:Nathan McRaeIntern:Calandra Valencia

HB 2002_(BSD) DOC officers; personnel system; covered

SPONSOR: COOK, LD 7 HOUSE

MAPS 1/23/2023 DP (14-1-0-0)

(No: HENDRIX)

HB 2089_(BSI) military veterans; surviving spouses; scholarships

SPONSOR: PAYNE, LD 27 HOUSE

MAPS 1/30/2023 DP (15-0-0-0)

HB 2090_(BSI) emergency and military affairs; continuation

SPONSOR: PAYNE, LD 27 HOUSE

MAPS 1/23/2023 DP (15-0-0-0)

HB 2310_(BSI) auditor general; law enforcement bonus

SPONSOR: JONES, LD 17 HOUSE

MAPS 1/30/2023 DP (8-6-1-0)

(No: HERNANDEZ M, LONGDON, QUIÑONEZ, SUN, TRAVERS,

TSOSIE Present: BLATTMAN)

HB 2332_(BSI) firearms safety; training; schools SPONSOR: BLISS, LD 1 HOUSE

MAPS 2/6/2023 DP (8-7-0-0)

(No: BLATTMAN, LONGDON, PESHLAKAI, QUIÑONEZ, SUN,

TRAVERS, TSOSIE)

HB 2478_(BSD) aggravated assault; law enforcement employees

SPONSOR: PAYNE, LD 27 HOUSE

MAPS 2/6/2023 DP (15-0-0-0)

HB 2479_(BSI) law enforcement merit system; continuation

SPONSOR: PAYNE, LD 27 HOUSE

MAPS 1/23/2023 DP (15-0-0-0)

Committee on Municipal Oversight & Elections

Chairman: Jacqueline Parker, LD 15 Vice Chairman: Alexander Kolodin, LD 3

Analyst: Joel Hobbins Intern: Isabella Garbero

HB 2304_(BSI) voting locations; precinct-based SPONSOR: MCGARR, LD 17 HOUSE

MOE 2/1/2023 DP (6-4-0-0) (No: AGUILAR, DE LOS SANTOS, HERNANDEZ M, TERECH)

HB 2305_(BSD) ballots; signature verification; observers

SPONSOR: MCGARR, LD 17 HOUSE

MOE 2/1/2023 DPA (6-4-0-0) (No: AGUILAR, DE LOS SANTOS, HERNANDEZ M, TERECH)

HB 2308_(BSD) secretary of state; election; recusal

SPONSOR: JONES, LD 17 HOUSE

MOE 1/25/2023 DP (7-3-0-0)

(No: AGUILAR, DE LOS SANTOS, HERNANDEZ M)

HB 2378_(BSD) officials; political action committee prohibition

SPONSOR: BIASIUCCI, LD 30 HOUSE

MOE 1/25/2023 DPA (10-0-0-0)

HB 2415_(BSI) active early voting lists; removal SPONSOR: BIASIUCCI, LD 30 HOUSE

MOE 2/8/2023 DP (6-4-0-0)

(No: AGUILAR, DE LOS SANTOS, HERNANDEZ M, TERECH)

HB 2477_(BSI) electoral college; support

SPONSOR: MONTENEGRO, LD 29 HOUSE

MOE 1/25/2023 DP (6-4-0-0) (No: AGUILAR, DE LOS SANTOS, HERNANDEZ M, TERECH)

Committee on Natural Resources, Energy & Water

Chairman:Gail Griffin, LD 19Vice Chairman:Austin Smith, LD 29Analyst:Paul BergelinIntern:Abigail Hobson

HB 2216_(BSI) hazardous air pollutants program

SPONSOR: GRIFFIN, LD 19 HOUSE

NREW 1/24/2023 DP (9-0-0-1)

(Abs: PARKER B)

HB 2437_(BSI) transmission lines; applications; exceptions

SPONSOR: GRIFFIN, LD 19 HOUSE

NREW 1/31/2023 DP (6-4-0-0)

(No: DE LOS SANTOS, MATHIS, STAHL HAMILTON, TRAVERS)

HB 2438_(BSI) board of supervisors; powers; water

SPONSOR: GRIFFIN, LD 19 HOUSE

NREW 1/24/2023 DP (10-0-0-0)

HB 2439_(BSI) vehicle emissions inspections; enactment date

SPONSOR: GRIFFIN, LD 19 HOUSE

NREW 2/7/2023 DP (10-0-0-0)

HB 2442_(BSI) temporary non-expansion area SPONSOR: GRIFFIN, LD 19 HOUSE

NREW 1/24/2023 DP (6-4-0-0)

(No: DE LOS SANTOS, MATHIS, STAHL HAMILTON, TRAVERS)

HB 2443_(BSD) navigable stream adjudication commission; extension

SPONSOR: GRIFFIN, LD 19 HOUSE

NREW 1/24/2023 DP (10-0-0-0)

HB 2444_(BSD) natural resource conservation districts; revisions

SPONSOR: GRIFFIN, LD 19 HOUSE

NREW 1/31/2023 DP (6-4-0-0)

(No: DE LOS SANTOS, MATHIS, STAHL HAMILTON, TRAVERS)

HB 2496_(BSI) transmission lines; definition SPONSOR: GRIFFIN. LD 19 HOUSE

NREW 1/31/2023 DPA (6-4-0-0)

(No: DE LOS SANTOS, MATHIS, STAHL HAMILTON, TRAVERS)

HB 2535_(BSI) private property; wells; regulation; prohibition

SPONSOR: SMITH, LD 29 HOUSE

NREW 2/7/2023 DP (6-4-0-0)

(No: DE LOS SANTOS, MATHIS, STAHL HAMILTON, TRAVERS)

HCM 2006_(BSI) urging eradication; salt cedars; waterways

SPONSOR: GRIFFIN, LD 19 HOUSE

NREW 1/31/2023 DP (9-1-0-0)

(No: STAHL HAMILTON)

Committee on Regulatory Affairs

Chairman: Laurin Hendrix, LD 14 Vice Chairman: Cory McGarr, LD 17

Analyst: Diana Clay Intern:

HB 2012_(BSI) real estate appraisers; licensure classifications

SPONSOR: LIVINGSTON, LD 28 HOUSE

RA 1/25/2023 DP (7-0-0-0)

HB 2016_(BSI) food handler certificates; training; exemption

SPONSOR: COOK, LD 7 HOUSE

RA 1/25/2023 DP (7-0-0-0)

HB 2199_(BSI) cosmetology instructors

SPONSOR: WILMETH, LD 2 HOUSE

RA 2/8/2023 DPA (7-0-0-0)

HB 2301_(BSI) homeowners' associations; political activity

SPONSOR: CARTER, LD 15 HOUSE

RA 2/1/2023 DPA (6-1-0-0)

(No: GUTIERREZ)

HB 2373_(BSI) permits; automated permitting platform

SPONSOR: BIASIUCCI, LD 30 HOUSE

RA 2/1/2023 DP (7-0-0-0)

HB 2377_(BSI) public officers; lobbying; prohibition

SPONSOR: BIASIUCCI, LD 30 HOUSE

RA 2/1/2023 DP (7-0-0-0)

HB 2429_(BSI) occupational licenses; convictions

SPONSOR: WILMETH, LD 2 HOUSE

RA 2/8/2023 DP (7-0-0-0)

HB 2509_(BSD) food preparation; sale; cottage food

SPONSOR: GRANTHAM, LD 14 HOUSE

RA 2/1/2023 DP (7-0-0-0)

Committee on Transportation & Infrastructure

Chairman: David L. Cook, LD 7 Vice Chairman: Teresa Martinez, LD 16

Analyst: Jeremy Bassham Intern: Brianna Masel

HB 2288_(BSI) roundabouts; right-of-way; large vehicles

SPONSOR: COOK, LD 7 HOUSE

TI 2/1/2023 DP (10-1-0-0)

(No: SUN)

HB 2292_(BSI) motor vehicle dealers; sales; cancellation

SPONSOR: COOK, LD 7 HOUSE

TI 2/8/2023 DPA (10-0-1-0)

(Present: SUN)

Committee on Ways & Means

Chairman: Neal Carter, LD 15 **Vice Chairman:** Justin Heap, LD 10

Analyst: Vince Perez Intern: Ashton Allen

HB 2003_(BSI) corporate income tax; rates

SPONSOR: LIVINGSTON, LD 28 HOUSE

WM 1/11/2023 DP (6-4-0-0)

(No: BLATTMAN, CANO, PAWLIK, SANDOVAL)

APPROP 1/11/2023 DP (9-5-0-1)

(No: QUIÑONEZ, SCHWIEBERT, SHAH, STAHL HAMILTON, AUSTIN

Abs: SALMAN)

HB 2008_(BSI) ASRS; contribution prepayment

SPONSOR: LIVINGSTON, LD 28 HOUSE

WM 1/18/2023 DP (10-0-0-0)

HB 2009_(BSI) ASRS; retirement application; changes

SPONSOR: LIVINGSTON, LD 28 HOUSE

WM 1/18/2023 DP (10-0-0-0)

HB 2015_(BSD) retirement plans; plan election; rehire

SPONSOR: LIVINGSTON, LD 28 HOUSE

WM 1/25/2023 DP (10-0-0-0)

HB 2029_(BSI) ASRS; supplemental deferral plan; participation

SPONSOR: LIVINGSTON, LD 28 HOUSE

WM 1/18/2023 DP (10-0-0-0)

HB 2061_(BSI) food; municipal tax; exemption.

SPONSOR: BIASIUCCI, LD 30 HOUSE

WM 1/18/2023 DP (6-4-0-0)

(No: BLATTMAN, CANO, PAWLIK, SANDOVAL)

HB 2064_(BSD) property tax exemption; disability; qualifications

SPONSOR: CARTER, LD 15 HOUSE

WM 1/25/2023 DP (9-1-0-0)

(No: BLATTMAN)

HB 2067_(BSD) residential leases; municipal tax exemption

SPONSOR: CARTER, LD 15 HOUSE

WM 2/1/2023 DP (6-4-0-0)

(No: BLATTMAN, CANO, PAWLIK, SANDOVAL)

HB 2383_(BSI) conformity; internal revenue code.

SPONSOR: CARTER, LD 15 HOUSE

WM 1/18/2023 DP (10-0-0-0)



Fifty-sixth Legislature First Regular Session

House: COM DP 9-1-0-0

HB2005: foreign captive insurers; definition Sponsor: Representative Livingston, LD 28 Caucus & COW

Overview

Allows a *foreign captive insurer* to form a branch captive office in Arizona.

History

A *captive insurer* is any pure, agency or group captive insurer or protected cell captive insurer that is domiciled in this state and that is statutorily formed and licensed. An *alien captive insurer* is any insurer formed to write insurance business for its affiliates and that is licensed pursuant to the laws of an alien jurisdiction that imposes statutory or regulatory standards acceptable to the director on companies transacting the business of insurance in such a jurisdiction. A *branch captive insurer* is an alien captive insurer that is licensed to transact the business of insurance through a business unit with a principal place of business in this state (A.R.S. § 20-1098).

Statute requires alien branch captive insurers to file with the director of the Department of Insurance and Financial Institutions a copy of all reports and statements that are required to be filed under the laws of the jurisdiction in which the alien captive insurer is formed and that are verified by oath of two of its executive officers (A.R.S. § 20-1098.21).

- 1. Includes foreign captive insurer to the definition of branch captive insurer. (Sec. 1)
- 2. Defines foreign captive insurer. (Sec. 1)
- 3. Allows a domestic captive insurer to merge or consolidate with any other domestic, foreign or alien captive insurer regardless of the captive insurer being formed as a limited liability company or a stock corporation. (Sec. 4)
- 4. Applies the same examination requirement, as a condition for licensure, for alien captive insurers to foreign captive insurers. (Sec. 3)
- 5. Applies the same reporting requirements for an alien captive insurer to a foreign captive insurer. (Sec. 5)
- 6. Clarifies the process of service for captive insurers. (Sec. 2)
- 7. Makes technical changes. (Sec. 1)

☐ Prop 105 (45 votes)	☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	☐ Fiscal Note	



Fifty-sixth Legislature First Regular Session

House: COM DP 10-0-0-0

HB 2006: insurance; liquidity; financial assessment Sponsor: Representative Livingston, LD 28 Caucus & COW

Overview

Conforms Insurance Holding Company System statutes to the National Association of Insurance Commissioners (NAIC) Insurance Holding Company System Regulatory Act.

History

The <u>NAIC</u> is the U.S. standard-setting and regulatory support organization governed by the chief insurance regulators from each of the 50 states. The NAIC provides expertise, data and analysis for insurance commissioners to effectively regulate the industry and protect consumers.

According to the NAIC, The Holding Company Act regulates certain activities of entities that are affiliated with insurance companies that would not otherwise be subject to such regulation as well as the acquisition of control of an insurer. The Act contains certain reporting requirements, including the requirement that insurance company subsidiaries file information relating to capital structure, ownership, financial condition and general business operations.

An *insurance holding company system* is statutorily defined as two or more affiliated persons, one or more of whom is an insurer. An insurance holding company system may consist of one company that directly or indirectly controls one or more other companies (A.R.S. § 20-481).

- 1. Includes additional provisions applicable to enterprise risk filings, including:
 - a. requiring the ultimate controlling person to file an annual group capital calculation report and outlines the types of insurance holding companies that are exempt from filing the report;
 - b. requiring certain ultimate controlling persons to file the results of a liquidity stress test and provides the provisions applicable to the liquidity stress test framework. (Sec. 3)
- 2. Excludes the group capital calculation and the liquidity stress test framework from the exemption for nonmaterial items relating to a registration statement. (Sec. 4)
- 3. Prescribes additional standards relating to certain insurance holding company transactions, including:
 - a. permitting the Director of DIFI (Director) to require an insurer that is deemed to be in a hazardous financial condition to submit a deposit or a bond to protect the insurer:
 - b. asserting that all records and data of the insurer that are held by an affiliate are the property of the insurer;
 - c. allowing, at the request of the insurer, the receiver to obtain specified records and access to certain operating systems on which the data is maintained;
 - d. specifying the insurer's premiums or other funds that are collected or held by an affiliate are the exclusive property of the insurer. (Sec. 5)
- 4. Subjects certain affiliates to the jurisdiction of any supervision, seizure, conservatorship or receivership proceedings against the insurer and to the authority of any appointed supervisor, conservator, rehabilitator or liquidator enforcing or overseeing the affiliate's contractual obligations. (Sec. 5)

☐ Prop 105 (45 votes)	☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	☐ Fiscal Note

- 5. Allows the Director to require that an agreement or contract for certain services specify that the insurer consents to the jurisdiction of any supervision, seizure, conservatorship or receivership proceedings. (Sec. 5)
- 6. Adds that all insurance holding companies documents and materials that are in the possession or control of DIFI are considered proprietary and contain trade secrets. (Sec. 6)
- 7. Directs the Director to maintain the confidentiality of:
 - a. the group capital calculation, the group capital ratio and any group capital calculation information received from a supervised insurance holding company system; and
 - b. the liquidity stress test results and supporting disclosures and any liquidity stress test framework information received from a supervised insurance holding company system. (Sec. 6)
- 8. Permits the Director to share and receive specified documents, materials and information, and enter into agreements with, third-party consultants designated by the Director rather than NAIC's affiliates and subsidiaries. (Sec. 6)
- 9. Allows the Director to prohibit NAIC or a third-party consultant from storing shared information in a permanent database after an underly analysis is completed. (Sec. 6)
- 10. Allows the Director to provide notification of the identity of any third-party consultant to all applicable insurers. (Sec. 6)
- 11. Clarifies documents, materials or other information in the possession or control of a third-party consultant designated by the Director, rather than NAIC's affiliates and subsidiaries, are confidential and privileged. (Sec. 6)
- Asserts the group capital calculation and the liquidity stress test are regulatory tools for assessing group risks and capital adequacy and are not a means to rank insurers or insurance holding companies. (Sec. 6)
- 13. Specifies publishing or disseminating a statement regarding a group capital calculation or liquidity stress test results in a newspaper or other publication or over radio or any electronic means of communication would be misleading and is prohibited. (Sec. 6)
- 14. Stipulates an insurer may publish written announcements with the sole purpose of rebutting a materially false statement. (Sec. 6)
- 15. Defines pertinent terms. (Sec. 1)
- 16. Makes technical changes. (Sec. 2, 3, 4, 5)



Fifty-sixth Legislature First Regular Session

House: COM DPA/SE 10-0-0-0

HB 2007: group excess liability insurance

S/E: same subject
Sponsor: Representative Livingston, LD 28
Caucus & COW

Summary of the Strike-Everything Amendment to HB 2007

Overview

Provides requirements for an insurer to issue a group excess liability insurance policy (Policy).

History

Liability insurance is insurance against legal liability for the death, injury or disability of any human being, or for damage to property, and provision of medical, hospital, surgical or disability benefits to injured persons and funeral and death benefits to dependents, beneficiaries or personal representatives of persons killed, irrespective of legal liability of the insured, when issued as an incidental coverage with or supplemental to liability insurance (A.R.S. § 20-252).

Provisions

Group Excess Liability Insurance (Sec. 1)

- 1. Permits an authorized or an unauthorized insurer to offer group excess liability insurance which provides excess coverage after the certificate holder's primary liability insurance limits have been exhausted.
- 2. Stipulates that an authorized insurer who issues a Policy must file the group policy and the certificate of insurance forms with the Department of Insurance and Financial Institutions.
- 3. Exempts an authorized insurer who issues a Policy from statutory requirements relating to rate filings.
- 4. Specifies the terms of the certificate of insurance must be consistent with the terms of the Policy in accordance with which the certificate of insurance is issued.
- 5. Authorizes an insurer to issue or deliver a Policy and certificate of insurance.
- 6. Adds that a Policy may provide excess uninsured or underinsured motorist and excess uninsured or underinsured liability coverage to certificate holders provided the terms and conditions for the coverage comply with statutory requirements.
- 7. Allows a Policy to provide coverage for excess uninsured or underinsured motorist coverage in amounts that exceed the statutory limits relating to a motor vehicle liability policy.
- 8. Permits an insurer to issue a Policy to an employer that insurers one or more *employees* of the *employer*.
- 9. Specifies an insurer may establish underwriting criteria for the group policyholder or certificate holders.
- 10. Asserts insurers must treat all eligible groups of the same class in a like manner.
- 11. Specifies the Policy premiums may be wholly paid by the group policyholder, the certificate holders or both.

Requires the Policy to prov	vide separate limits of cove	rage for each certificate hold	der.
☐ Prop 105 (45 votes)	☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	☐ Fiscal Note

- 13. Prevents the Policy from providing coverage to a group policyholder.
- 14. Requires a copy of the group policy and any endorsement or amendment be delivered to the group policyholder.
- 15. Permits the group policyholder, with certain approval, to send the certificate of insurance and any endorsement to the certificate holders on behalf of the insurer.
- 16. Outlines the contents of the certificate of insurance.
- 17. Requires a copy of the group policy be delivered to the certificate holder after the certificate of insurance is delivered.
- 18. Prevents the disclosure of claims-related information about a certificate holder to the group policyholder other than the existence of a claim.
- 19. Prescribes the requirements for canceling, nonrenewing or conditional renewing of a coverage under a Policy.
- 20. Allows the group policyholder, with a 30-day written notice, to cancel or not renew the group policy for any reason.
- 21. Requires a covered loss that occurs before the effective date of the cancellation, nonrenewal or conditional renewal of the group policy or certificate of insurance to be covered as provided under the group policy.
- 22. Defines pertinent terms.

Amendments

Committee on Commerce

1. Adopted the strike-everything amendment.



Fifty-sixth Legislature First Regular Session

House: COM DPA 10-0-0-0

HB 2010: banking; licensing; fees
Sponsor: Representative Livingston, LD 28
Caucus & COW

Overview

Establishes a late fee for a consumer lender and premium finance company license renewal. Prohibits a mortgage broker, mortgage banker and commercial mortgage banker from maintaining records out of the state.

History

A person cannot engage in the business of advertising or soliciting to procure or make a consumer lender loan without first obtaining a consumer lender license. The term of the license begins on July 1 and ends on June 30 of each year. A licensee may obtain a license renewal by submitting the renewal application and paying the renewal fee by June 30 (A.R.S. §§ 6-601, 6-603, 6-604).

A premium finance company is a person engaged in part or in whole in the business of financing insurance premiums, entering into premium finance agreements with insureds or otherwise acquiring premium finance agreements from insurance producers or other premium finance companies. A person is prohibited from engaging in the business of a premium finance company without first obtaining a license. The term of the license year begins on January 1 and ends on December 31. In order to renew a license, licensees must submit a renewal application and the required renewal fee by December 31 (A.R.S. §§ 6-1401, 6-1402, 6-1405).

Statute permits, after notifying the Deputy Director of the Department of Insurance and Financial Institutions (DIFI), a mortgage broker, mortgage banker or commercial mortgage banker, who operates two or more licensed places of businesses, to maintain records at their principal place of business in this state. Additionally, with approval of the deputy director of DIFI, they may maintain records outside this state (A.R.S. §§ 6-906, 6-946, 6-983).

- 1. Allows the deputy director of DIFI to use the nationwide mortgage licensing system and registry for all aspects of licensure relating to financial institutions, collection agencies and sales finance companies. (Sec. 1)
- 2. Clarifies that a consumer lender license remains active until it either expires or is suspended, revoked or terminated by the director of DIFI. (Sec. 2)
- 3. Requires a consumer lender licensee to apply for and pay the renewal fee by June 30 each year. (Sec. 2)
- 4. Includes a late fee of \$25 for each day after June 30 that a renewal application is not received by the Deputy Director. (Sec. 2)
- 5. Prohibits a licensee from acting as a consumer lender until the license is renewed or a new license is issued. (Sec. 2)
- 6. Stipulates the license automatically expires if the Deputy Director of DIFI does not receive the renewal application and fee by July 31. (Sec. 2)
- 7. Prevents an expired license from being renewed and allows for the issuance of a new license. (Sec. 2)

☐ Prop 105 (45 votes)	☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	☐ Fiscal Note	
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- 8. Extends the deadline for applying for a debt management company license renewal, and obtaining a license renewal without an investigation, from June 15 to June 30 of each year. (Sec. 3, 4)
- 9. Removes language relating to restrictions as to where a mortgage broker, mortgage banker and commercial mortgage banker may maintain records. (Section 5, 7, 8)
- 10. Increases the cap on the number of tests, from two to four, an applicant for a mortgage broker license may take within a 12-month period. (Sec. 6)
- 11. Removes the approval requirement for a licensee that uses a computer or mechanical record keeping system to not keep a written copy of records. (Sec. 7)
- 12. Removes the requirement for a mortgage broker, banker, consumer lender or registered exempt person to request a loan originator's license. (Sec. 9)
- 13. Eliminates the requirement for DIFI to send the loan originator's license to the loan originator's employer. (Sec. 9)
- 14. Clarifies that a premium finance company license or permit remains active until it either expires or is suspended, revoked or terminated by the director of DIFI. (Sec. 10)
- 15. Requires a premium finance company licensee or permit holder to apply for and pay the renewal fee by June 30 each year. (Sec. 10)
- 16. Includes a late fee of \$25 for each day after June 30 that a renewal application is not received by the Deputy Director of DIFI. (Sec. 10)
- 17. Prohibits a licensee or permit holder from acting as a premium finance company or branch office until the license or permit is renewed or a new license or permit is issued. (Sec. 10)
- 18. Stipulates the license or permit automatically expires if the Deputy Director of DIFI does not receive the renewal application and fee by July 31. (Sec. 10)
- 19. Prevents an expired license or permit from being renewed and allows for the issuance of a new license or permit. (Sec. 10)
- 20. Changes the deadline for collection agencies renewal applications from January 1 to December 31. (Sec. 11)
- 21. Modifies the real estate appraiser license or certificate renewal period by removing the 30 days after the expiration date grace period. (Sec. 12)
- 22. Removes the \$5 fee for a duplicate registration certificate for property tax agents. (Sec. 13)
- 23. Makes technical changes. (Sec. 1, 3, 5, 6, 8, 9, 10)

Amendments

Committee on Commerce

1. Changes the renewal date references for premium finance company licensure to coincide with the term of the license.



Fifty-sixth Legislature First Regular Session

House: COM DP 10-0-0-0

HB 2011: state board of accountancy; continuation Sponsor: Representative Livingston, LD 28 Caucus & COW

Overview

Continues the Arizona State Board of Accountancy (Board) for eight years.

History

Arizona State Board of Accountancy

Created by Laws 1919, Chapter 57, the Board is statutorily required to protect the public from unlawful, incompetent, unqualified or unprofessional certified public accountants (CPA) through certification, regulation and rehabilitation. Furthermore, the Board is authorized to: 1) investigate complaints; 2) establish and maintain high standards of competence, independence and integrity in practice of accounting; 3) establish reporting requirements for registrants; 4) establish basic requirements for continuing professional education for CPAs; 5) adopt procedures for disciplinary actions, administrative hearings and consent decisions; 6) issue certificates to qualified applicants; and 7) delegate certain authorities to the executive director (A.R.S. § 32-703).

The Board is comprised of seven members who are appointed by the Governor and who must be residents of Arizona. Two public members who are not CPAs but have professional or practical experience in using accounting services and financial statements and five members must be CPAs, three of which must be in active public practice. No more than one of these members may be from the same firm. Board members serve five-year terms (A.R.S. § 32-702).

Sunset Review Process

The sunset review process provides a system for the Legislature to evaluate the need to continue the existence of state agencies which are reviewed by a legislative committee of reference (COR). The COR is required to hold a public hearing, receive testimony from agency officials and the public and consider certain sunset factors in determining whether to recommend continuing, consolidating or terminating the agency (A.R.S 41-2954).

The Senate Commerce and House Commerce COR held a public meeting on January 10, 2023 and recommended that the Legislature continue the Board for eight years. The Accountancy Board terminates on July 1, 2023, unless continued by the Legislature (A.R.S. 41-3023.02).

- 1. Continues, retroactively to July 1, 2023, the Board until July 1, 2031. (Sec. 1, 2)
- 2. Repeals the Board on January 1, 2032. (Sec. 2)
- 3. Includes a purpose statement. (Sec. 3)

☐ Prop 105 (45 votes)	☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	☐ Fiscal Note



Fifty-sixth Legislature First Regular Session

House: COM DP 7-3-0-0

HB 2019: licensing; permitting; criteria; clarity Sponsor: Representative Grantham, LD 14 Caucus & COW

Overview

Requires a municipality or county (local government) to specify the criteria for granting a license or permit which is required for certain activities.

History

A local government that issues licenses is required to provide to an applicant at the time the applicant obtains an application for a license the following information:

- 1) A list of all of the steps the applicant is required to take in order to obtain the license:
- 2) The applicable licensing time frames;
- 3) The name and telephone number of a municipal contact person who can answer questions or provide assistance throughout the application process;
- 4) The website address and any other information, if applicable, to allow the regulated person to use electronic communication with the municipality; and
- 5) Notice that an applicant may receive a clarification from the municipality of its interpretation or application of a statute, ordinance, code or authorized substantive policy statement (A.R.S. §§ 9-836 and 11-1606).

- 1. Directs a local government that requires a license or permit for constitutionally protected activities or activities that change the use, appearance or density of a structure or land to specify the criteria, in clear and unambiguous language, for granting such license or permit. (Sec. 1, 2)
- 2. Requires a local government, within 30 days of submittal, to grant or deny an application for the activities license or permit, unless another time frame is specified by state or federal law. (Sec. 1, 2)
- 3. Deems the application for the activities license or permit is granted if the local government fails to take action within the applicable time frame, unless the application is:
 - a. Incomplete;
 - b. The local government issues a notice relating to administrative completeness; and
 - c. The applicant fails to complete the application. (Sec. 1, 2)
- 4. Requires a court to determine if the application approval criteria language is clear and unambiguous in proceedings involving a denial of an activities license or permit. (Sec. 1, 2)

☐ Prop 105 (45 votes)	☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	☐ Fiscal Note	



Fifty-sixth Legislature First Regular Session

House: COM DPA 10-0-0-0

HB 2066: banks; financial institutions; personal information Sponsor: Representative Carter, LD 15

Caucus & COW

Overview

Requires banks and financial institutions to destroy a former customer's personal information.

History

All banks must keep their corporate and business records in accordance with the Deputy Director of the Department of Insurance and Financial Institutions' (DIFI) regulations. These regulations include: 1) the classification of records; 2) the establishment of allowable methods for effective and economical conservation of information contained in such records if the originals were destroyed in accordance with regulation; and 3) the prescribing of the minimal period of time for preservation of each record or a permitted substitute (A.R.S. § 6-242).

DIFI rules provide a retention schedule for certain bank records. Further, a bank may comply with a preemptive federal regulation, even if the regulation requires a shorter retention period (A.A.C. R20-4-214).

In accordance with the <u>Bank Secrecy Act</u>, banks are required to maintain various types of records for at least five years. Records relating to the identity of a bank customer must be maintained for five years after the account is closed.

Provisions

1. Directs banks and financial institutions to destroy all personal information that belonged to a former customer or client within three years of ending the business relationship. (Sec. 1)

Amendments

Committee on Commerce

- 1. Increases, from 3 to 10, the number of years by which a bank must destroy personal information.
- 2. Makes a clarifying change.

☐ Prop 105 (45 votes)	☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	☐ Fiscal Note



Fifty-sixth Legislature First Regular Session

House: COM DP 10-0-0-0

HB2197: wills; electronic signatures; requirements
Sponsor: Representative Wilmeth, LD 2
Caucus & COW

Overview

Allows the witnesses of an electronic will signing to be *electronically present*.

History

An electronic will must: 1) be created and maintained in an electronic record; 2) contain the electronic signature of the testator or the testator's electronic signature made by some other individual in the testator's conscious presence and by the testator's direction; 3) contain the electronic signatures of at least two persons, each of whom were both required to be physically present with the testator when the testator electronically signed the will, acknowledged the testator's signature or acknowledged the will and have electronically signed the will within a reasonable time after the person witnessed the testator signing the will; 4) state the date that the testator and each of the witnesses electronically signed the will; and 5) contain a copy of a government-issued identification card of the testator current at the time of execution of the will (A.R.S. § 14-2518).

- 1. Allows, as a requirement for an electronic will, the persons who are electronically signing to be *electronically present* provided they were physically located within the U.S. at the time of serving as a witness. (Sec. 2)
- 2. Defines *electronically present* as two or more individuals who are in a different physical location and who are communicating in real time by electronic means to the same extent as if the individuals were physically present in the same location. (Sec. 1)
- 3. Creates an affidavit for an attested self-proving electronic will. (Sec. 3)
- 4. Allows a qualified custodian's written statement to be executed by an electronic signature and maintained as an electronic record. (Sec. 4)
- 5. Clarifies an electronic will must be created and maintained in an electronic record that is *readable as text at the time of signing.* (Sec. 2)
- 6. Makes clarifying changes. (Sec. 4)

☐ Prop 105 (45 votes)	☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	☐ Fiscal Note	



Fifty-sixth Legislature First Regular Session

House: COM DP 10-0-0-0

HB 2198: claimant; guardian ad litem; procedure Sponsor: Representative Wilmeth, LD 2
Caucus & COW

Overview

Removes a trustee from being appointed to represent a minor or incapacitated person relating to workers' compensation claims.

History

The Industrial Commission of Arizona (ICA) is responsible for overseeing various labor-related issues in Arizona including processing and adjudicating workers' compensation claims. A claim for compensation is valid or enforceable only if it has been filed with the ICA by the employee within one year after the injury occurred. The employer, within ten days of receiving a notice of an accident, must inform the employer's insurance carrier and the ICA. Upon receiving notification of the injury, the ICA sends a claim form to the employee. However, if an insurance carrier or self-insured employer receives written notice from the injured employee who intends to file a claim compensation, the insurance carrier or self-insured employer has seven days to forward the notice to the ICA and inform the employee of the requirement to file with the ICA (A.R.S. § 23-1061).

If the claimant for compensation or death benefits is a minor or an incompetent person, the ICA may appoint a trustee or guardian ad litem to appear for and represent the person. The ICA sets the terms and conditions as it deems proper for the representation of the person (A.R.S. § 23-1066).

A *guardian ad litem* is a person appointed to protect the interest of a minor or an incompetent in a particular case.

- 1. Removes a trustee as a person who may be appointed to represent a minor or incapacitated person in a claim for compensation or death benefits. (Sec. 1)
- 2. Specifies the guardian ad litem's representation of the minor or incapacitated person must be in accordance with the terms, conditions and rules of the ICA, rather than in such terms and conditions as the ICA deems to be proper. (Sec. 1)
- 3. Clarifies that the guardian ad litem's representation must be in the *best interests* of the minor or *incapacitated* person. (Sec. 1)
- 4. Changes the reference of incompetent person to incapacitated person. (Sec. 1)
- 5. Makes clarifying changes. (Sec. 1)

☐ Prop 105 (45 votes)	☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	☐ Fiscal Note	



Fifty-sixth Legislature First Regular Session

House: COM DPA 10-0-0-0

HB2252: inmates; documentation; workforce reentry Sponsor: Representative Wilmeth, LD 2 Caucus & COW

Overview

Prescribes requirements for the Arizona Department of Corrections (ADC) to assist an inmate in workforce reentry.

History

ADC was established by statute with the objective of encompassing the various institutions, facilities and programs which are now or may become a part of the correctional program of the state, and to provide the supervisory staff and administrative functions of all matters relating to the institutionalization, rehabilitation and community supervision functions of all adult offenders (A.R.S. § 41-1602).

On receipt of an application from a person who does not have a valid driver license issued by this state or whose driving privilege is suspended, the Arizona Department of Transportation (ADOT) must issue a nonoperating identification license containing: 1) a distinguishing number assigned to the licensee; 2) the full legal name; 3) the date of birth; 4) the residence address; 5) a brief description of the licensee; and 6) either a facsimile of the signature of the licensee or a space on which the licensee is required to write the licensee's usual signature with pen and ink. A nonoperating identification license issued to a person whose driving privilege is suspended must not be valid for more than 180 days from the date of issuance (A.R.S. § 28-3165).

- Requires ADC to provide an inmate who is discharged from imprisonment for a felony offense and who
 intends to reside in this state with relevant documentation to assist the inmate in obtaining postrelease
 employment. (Sec. 1)
- 2. Directs ADC, in coordination with ADOT, to replace the inmate's current nonoperating identification license or driver license (License) or to provide the inmate with a nonoperating identification license if the inmate does not possess a current License. (Sec. 1)
- 3. Requires ADC, in coordination with ADOT, to determine whether the inmate possesses a current and valid license nine months before the inmate's release. (Sec. 1)
- 4. Mandates ADC to begin gathering the documentation required for obtaining a nonoperating identification license if the inmate does not possess a current and valid License. (Sec. 1)
- 5. Instructs ADC, in coordination with ADOT, to provide a nonoperating identification license to each eligible inmate on release from custody who does not possess a current or valid License. (Sec. 1)
- 6. Stipulates a License that is issued to an inmate to be issued, replaced, canceled and denied in the same manner as a statutorily prescribed License. (Sec. 1)
- 7. Requires ADOT to allow copies of birth certificates along with an ADC issued record card to serve as a valid form of photo identification to obtain a License. (Sec. 1)
- 8. Specifies a nonoperating identification license issued to an inmate is valid for four years from the month of issuance and is nonrenewable and nontransferable. (Sec. 1)

☐ Prop 105 (45 votes)	☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	☐ Fiscal Note

- 9. Specifies the fee for an eligible inmate's nonoperating identification license is determined by ADOT. (Sec. 1)
- 10. Requires ADC to provide any inmate who has served in the US military with the contact information of the Department of Veteran's Services and its benefits guide. (Sec. 1)
- 11. Allows ADC to use any monies available, including inmate trust fund monies, existing ADC fund monies and donations, to cover costs associated with implementing and administering licensing requirements for released inmates and to pay associated license fees. (Sec. 1)
- 12. Requires ADC to notify an inmate, if eligible, to apply for a license or certificate from a state agency that oversees occupational licenses or certifications. (Sec. 1)
- 13. Outlines specified documentation that ADC must provide to an inmate in assistance in obtaining postrelease employment. (Sec. 1)
- 14. Excludes the following inmates from receiving specified documentation provided by ADC:
 - a. 65 years of age or older;
 - b. released for medical reasons or who are discharged from a prison infirmary;
 - c. released to the custody of another jurisdiction on a warrant or detainer; or
 - d. determined by ADC to be physically or mentally unable to return to the workforce on release from incarceration. (Sec. 1)
- 15. Allows ADC, the Arizona Department of Health and ADOT to adopt rules to implement the regulations for inmate workforce and reentry. (Sec. 1)

Amendments

Committee on Commerce

- 1. Clarifies ADC must replace the inmate's current license with a nonoperating identification license, *if applicable* rather than *if necessary*.
- 2. Requires ADC to provide an inmate with a social security card or a replacement social security card, *if obtainable*.



Fifty-sixth Legislature First Regular Session

House: COM DPA 9-0-1-0

HB2381: mobile homes; recreational vehicles; fund Sponsor: Representative Gress, LD 4 Caucus & COW

Overview

Increases certain payments to and disbursements from the Mobile Home Relocation Fund (Fund).

<u> History</u>

The Fund provides relief to tenants required to relocate due to: 1) a change in land use; 2) rent increases; or 3) community age restrictions. Current law allows a tenant moving due to change in land use to receive Fund disbursements up to \$7,500 for single section mobile homes or \$12,500 for multi-section mobile homes in relocations within 100 miles from the vacated mobile home park (A.R.S. § 33-1476.01).

Each owner of a mobile home located in a mobile home park who does not own the land on which the mobile home is located are annually assessed a rate of \$.5 per \$100 of a taxable assessed valuation. Monies collected from the annual assessment are deposited into the Fund (A.R.S. § 33-1476.03).

- 1. Increases the maximum amount of Fund monies a tenant required to relocate due to a change in use or redevelopment of the mobile home park may receive from:
 - a. \$7,500 to \$12,500 for a single section mobile home; or
 - b. \$12,500 to \$20,000 for a multisection mobile home. (Sec. 1)
- Increases the amount the landlord must pay to the Fund for each tenant filing for relocation assistance from:
 - a. \$500 to \$700 for each single section mobile home; and
 - b. \$800 to \$1,000 for each multisection mobile home. (Sec. 1)
- Increases the amount of additional monies a landlord must pay to the Fund if a change in use occurs before the time stated in a policy statement and the landlord fails to comply with certain statutory requirements from:
 - a. \$500 to \$700 for each mobile home space occupied by a single section mobile home; and
 - b. \$800 to \$1,000 for each mobile home space occupied by a multisection mobile home. (Sec. 1)
- 4. Increases the amount of additional monies a landlord must pay to the Fund if a change in use occurs within 270 days of relocations as a result of a rent increase from:
 - a. \$500 to \$700 for each mobile home space occupied by a single section mobile home; and
 - b. \$800 to \$1,000 for each mobile home space occupied by a multisection mobile home. (Sec. 1)
- 5. Requires, rather than permits, the Director (Director) of the Department of Housing to adopt, amend or repeal rules to administer the Fund. (Sec. 2)
- 6. Requires, rather than permits, the Director to notify the county assessors to reinstate the assessment for the Fund if at the end of a fiscal year the Fund monies are less than \$6,000,000. (Sec. 3)
- 7. Increases the percentage amount for abandonment of a mobile home in the park a tenant may receive from the Fund from 25% to 40% of the maximum allowable moving expense. (Sec. 1)
- 8. Increases the percentage amount for abandonment of a park trailer or park model in the park a tenant may receive from the Fund from 25% to 40% of the maximum allowable moving expense. (Sec. 4)

☐ Prop 105 (45 votes)	☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	☐ Fiscal Note	
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- 9. Increases the maximum amount, from \$4,000 to \$6,000, that a tenant may receive from the Fund for moving expenses of relocating the park trailer or park model to a new location. (Sec. 4)
- 10. Makes technical and conforming changes. (Sec. 1, 2, 3, 4)

<u>Amendments</u>

Committee on Commerce

- 1. Instructs a landlord to extend the time for repairs, from 14 days to 60 days, if the tenant presents a signed contract with a contractor showing the material noncompliance breach will be repaired within 60 days of the notice of a breach in the rental agreement.
- 2. Makes a clarifying change.



Fifty-sixth Legislature First Regular Session

House: COM DP 6-4-0-0

HB 2472: social credit; use; prohibition Sponsor: Representative Montenegro, LD 29 Caucus & COW

Overview

Asserts this State may not require a bank to use a social credit score in determining whether to lend money.

<u>History</u>

A bank may lend up to 20% of its capital to a single borrow. A bank may lend an additional 10% of its capital if the additional amounts are fully secured by readily marketable collateral that has a market value at least equal to the amount of the loan (A.R.S. § 6-352).

A bank uses certain factors in determining whether to lend money and the amount that is lent. These factors may include a borrower's credit score, credit history, debt-to-income ratio, employment history, collateral and the type of loan and the loan term.

1.	Prohibits this	State fr	om re	equiring	a bank	or	financial	institution	to	use	а	social	credit	score	when
	evaluating who	ether to	lend r	money to	a cust	om	er. (Sec.	1)							

☐ Prop 105 (45 votes)	☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	☐ Fiscal Note	



Fifty-sixth Legislature First Regular Session

House: COM DP 10-0-0-0

HB 2498: do-not-call list; text messages Sponsor: Representative Griffin, LD 19 Caucus & COW

Overview

Prohibits a seller or solicitor from sending a text message to a number that is on the national do-not-call registry.

History

A *telephone solicitation* is any voice communication from a live operator, announcing device or otherwise that offers merchandise for sale or rent and that is to or from a person located in this state (<u>A.R.S. § 44-1271</u>).

A seller or solicitor is prohibited from initiating an outbound telephone solicitation call if the number is registered in the national do-not-call registry established by the Federal Trade Commission. However, certain telephone solicitations are permitted if made under the following circumstances: 1) regarding a consumer agreement for past or present employment; 2) responding to a referral; 3) with consumer's permission; or 4) responding to an express request. Furthermore, a seller or solicitor who unlawfully calls a number on the do-not-call registry may be investigated by the Attorney General and subjected to a civil penalty of up to \$1,000 per violation (A.R.S. § 44-1282).

- 1. Prohibits a seller or solicitor from sending a text message to a number that is on the national do-not-call registry. (Sec 1.)
- 2. Makes a technical change. (Sec. 1)

☐ Prop 105 (45 votes)	☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	☐ Fiscal Note	



Fifty-sixth Legislature First Regular Session

House: COM DP 10-0-0-0

HB 2555: businesses; requirement to accept cash Sponsor: Representative Chaplik, LD 3
Caucus & COW

Overview

Stipulates that cash must be accepted as a form of payment by businesses located in this state.

History

Statute defines *legal tender* as a medium of exchange, including specie, that is authorized by the United States Constitution or Congress for payment of debts, public charges, taxes and dues (A.R.S. § 6-851).

Legal tender is federally defined as United States coins and currency (including Federal reserve notes and circulating notes of Federal reserve banks and national banks) are legal tender for all debts, public charges, taxes and dues. Foreign gold or silver coins are not legal tender for debts (Section 31, U.S.C. § 5103).

- 1. Asserts businesses that are physically located in Arizona must accept cash as a form of payment for goods and services. (Sec. 2)
- 2. Prohibits businesses from charging a fee or penalty for using cash as a form of payment. (Sec. 2)
- 3. Stipulates a person has a cause of action against the person who commits a violation by denying the use of cash or charging a fee for using cash. (Sec. 2)
- 4. Specifies a person who has committed a violation is liable for damages for each violation amounting to \$1,000 with a maximum of \$1,000 per person per day or \$5,000 per person in total. (Sec. 2)
- 5. Entitles the prevailing plaintiff in an action to recover reasonable attorney fess and costs. (Sec. 2)
- 6. Directs the court to annually adjust the liability damage amounts for inflation. (Sec. 2)
- 7. Excludes online sales from the requirement to accept cash. (Sec. 2)
- 8. Makes a technical change. (Sec. 1)

☐ Prop 105 (45 votes) ☐	Prop 108 (40 votes)	☐ Emergency (40 votes)	☐ Fiscal Note



Fifty-sixth Legislature First Regular Session

House: ED DP 9-0-0-1

HB 2057: classroom-based preparation program; employment Sponsor: Representative Diaz, LD 19 Caucus & COW

Overview

Classifies candidates enrolled in a classroom-based preparation program (classroom program) as paid employees.

History

A school district or charter school may apply to the State Board of Education (SBE) to be a classroom program provider. As a provider, a school district or charter school has the authority to approve the certification of teachers, subject to statutory criteria and SBE rules.

SBE is required to adopt policies governing classroom programs. These policies include the requirement that a school district superintendent or charter school principal verify applicants for certification have made satisfactory progress and achievement with students. Furthermore, a school district or charter school must submit a program sequence or training schedule, information regarding mentoring and coaching of teacher candidates and data supporting the efficacy of the classroom program.

A school district or charter school may employ and enroll into its classroom program any candidate who meets background and fingerprint clearance card requirements and who holds at least an accredited bachelor's degree. A person without an accredited bachelor's degree may enroll in a classroom program if they: 1) meet background and fingerprint clearance card requirements; 2) are enrolled in an accredited bachelor's degree program; 3) are not a contracted or permanent full-time teacher or teacher of record for any classroom (except they may be employed by the school district or charter school); and 4) do not regularly instruct students without the presence of specified school personnel (unless the candidate possesses other certification).

To receive a classroom-based standard teaching certificate, an applicant for certification must hold an accredited bachelor's degree, meet background and fingerprint clearance card requirements and demonstrate subject and professional knowledge. SBE must issue the certificate after verifying the candidate meets all requirements (A.R.S. § 15-553).

Statute prohibits a school district from employing a teacher if the teacher has not received a teaching certificate granted by the proper authorities. A conditional certificate may be issued to a teacher who has filed an application and completed all certification requirements but who is unable to receive a certificate prior to employment (A.R.S. § 15-502).

- 1. Instructs a school district or charter school to classify each candidate who is enrolled in a classroom program as a paid employee. (Sec. 1)
- 2. Makes technical and conforming changes. (Sec. 1)

☐ Prop 105 (45 votes)	☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	☐ Fiscal Note



Fifty-sixth Legislature First Regular Session

House: ED DP 8-2-0-0

HB 2291: school districts; superintendents; contracts Sponsor: Representative Cook, LD 7 Caucus & COW

Overview

Authorizes a school district governing board (governing board) to terminate the superintendent's employment contract if prescribed criteria are met. Specifies the superintendent is not entitled to recover damages or compensation for the remainder of the contract's employment term.

<u> History</u>

Statute permits a governing board to employ a superintendent. A governing board must determine the qualifications for its superintendent at a public meeting, though, the governing board must require the superintendent to have a valid fingerprint clearance card. A governing board may also jointly employ a superintendent with another governing board.

The employment term of a superintendent may not exceed three years. If the superintendent's contract is for multiple years, the school district may not extend or renegotiate the contract earlier than 15 months before the contract expires (A.R.S. § 15-503).

Statute establishes numerous powers and duties of a governing board. For example, a governing board must prescribe and enforce policies to govern schools. Additionally, statute instructs a governing board to require up to 20% of the total annual salary included in a superintendent's contract be classified as performance pay. Performance pay must be determined according to student academic gain and parental and teacher satisfaction, unless the governing board votes to implement an alternative procedure at a public meeting (A.R.S. § 15-341).

- 1. Allows a governing board to rescind or terminate any employment contract between a superintendent and a school district if:
 - a. it is determined by the governing board that the superintendent violated governing board policy; or b. one or more schools have been assigned a D or F letter grade for at least three years. (Sec. 1)
- 2. Stipulates that if a governing board terminates an employment contract, the superintendent is not entitled to recover damages for early termination or compensation for the remainder of the contract's employment term. (Sec. 1)
- 3. Applies the ability for a governing board to rescind or terminate a superintendent's contract to all new employment contracts entered into after the general effective date. (Sec. 2)
- 4. Makes technical and conforming changes. (Sec. 1)

☐ Prop 105 (45 votes)	☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	☐ Fiscal Note	



Fifty-sixth Legislature First Regular Session

House: ED DP 6-4-0-0

HB 2428: private universities; Arizona teachers academy Sponsor: Representative Gress, LD 4
Caucus & COW

Overview

Enables an eligible degree-granting private postsecondary educational institution in Arizona (private institution) to participate in the Arizona Teachers Academy (Academy) and receive Academy Fund monies.

History

Eligible postsecondary institutions must implement an Academy to incentivize students to enter the teaching profession and to commit to teach in Arizona public schools. The Arizona Board of Regents (ABOR) must consult with these institutions to develop and implement administrative processes. The Academy may include new or existing teacher preparation program pathways. Academy programs must include accelerated models for high-demand teacher specializations, critical need areas, individuals seeking postbaccalaureate coursework resulting in professional certification, dual enrollment teachers and students in noneducation programs.

An eligible postsecondary institution must provide: 1) annual scholarships, subject to limitations, to undergraduate, graduate and community college students; and 2) scholarships up to the actual cost of obtaining National Board certification and renewal or a teaching certification. Scholarships are determined after all other financial gifts, aid or grants received by the student are considered. Statute requires students who receive scholarships to agree to teach in an Arizona public school and further details this service requirement. Academy Fund monies may be used to reimburse these scholarships.

Currently, postsecondary institutions eligible to participate in the Academy are the universities under ABOR's jurisdiction, Arizona community colleges that offer postbaccalaureate programs leading to teacher certification and that have entered into agreements with ABOR and colleges operated by a qualifying Indian tribe that have opted into the Academy (A.R.S. § 15-1655).

- 1. Allows a private institution that offers postbaccalaureate teacher preparation programs leading to teacher certification to participate in the Academy and receive Academy Fund monies. (Sec. 1)
- 2. Limits the reimbursement for an Academy scholarship provided by a private institution to the remainder of the average in-state tuition and fees charged by universities under ABOR's jurisdiction, minus other gifts and aid awarded to the student. (Sec. 1)
- 3. Includes in the definition of *eligible postsecondary institution* a private institution opting to participate in the Academy. (Sec. 1)
- 4. Makes technical and conforming changes. (Sec. 1)

☐ Prop 105 (45 votes)	☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	☐ Fiscal Note



Fifty-sixth Legislature First Regular Session

House: ED DP 10-0-0-0

HB 2456: ASDB; continuation Sponsor: Representative Pingerelli, LD 28 Caucus & COW

Overview

Continues the Arizona State Schools for the Deaf and the Blind (ASDB) for eight years.

<u> History</u>

The state Constitution requires the Legislature to provide for the education and care of pupils who are hearing and vision impaired (<u>Ariz. Const. art. 11, sec. 1</u>). In 1912, the First Legislature established ASDB (Laws 1912, Chapter 36).

ASDB serves children who are blind, visually impaired, deaf, hard of hearing or deafblind. ASDB maintains two campuses, the Phoenix Day School for the Deaf and the Tucson campus, that offer educational and support services to students. Additionally, ASDB operates the Early Childhood and Family Education Program to provide intervention services to children from birth to three years old. Finally, ASDB provides itinerant services to children attending school districts and charter schools through five regional cooperatives (A.R.S. Title 15, Chapter 11).

The ASDB Board of Directors consists of: 1) the Governor; 2) the Superintendent of Public Instruction (or designee); 3) one member from the Commission for the Deaf and the Hard of Hearing; 4) one member from the Governor's Council on Blindness and Visual Impairment; and 5) six other appointive members. Of the six appointive members, one member must be a school district employee who works with the school district's program for sensory impaired individuals and, for three of the five remaining appointive members, preference must be given to those with experience of and knowledge in sensory impaired education. All members (except the Governor and the Superintendent of Public Instruction) are appointed by the Governor (A.R.S. § 15-1321).

ASDB is set to terminate on July 1, 2023 (A.R.S. § 41.3023.03).

Both the <u>House of Representatives</u> and <u>Senate</u> Education Committees of Reference recommended that ASDB be continued for eight years.

- 1. Continues, retroactive to July 1, 2023, ASDB until July 1, 2031. (Sec. 2, 4)
- 2. Repeals ASDB on January 1, 2032. (Sec. 1)
- 3. Contains a purpose statement. (Sec. 1)

☐ Prop 105 (45 votes)	☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	☐ Fiscal Note



Fifty-sixth Legislature First Regular Session

House: ED DP 6-4-0-0

HB 2458: race; ethnicity; prohibited instruction Sponsor: Representative Pingerelli, LD 28 Caucus & COW

Overview

Prohibits a public school, school district or state agency or an employee from providing or allowing any person to provide instruction that promotes or advocates for specified concepts relating to race or ethnicity. Establishes a complaint process and civil penalty for violations.

History

Statute prohibits a school district or charter school from including in its program of instruction any courses that: 1) promote the overthrow of the U.S. government; 2) promote resentment toward a race or class of people; 3) are designed primarily for pupils of a particular ethnic group; or 4) advocate ethnic solidarity instead of the treatment of pupils as individuals. Statute details exemptions to this course prohibition.

If the State Board of Education (SBE) or the Superintendent of Public Instruction (SPI) find that a school district or charter school violates this prohibition, SBE or the SPI must issue a violation notice. If the school district or charter school fails to comply within 60 days after notice, up to 10% of the monthly state aid allotted for the school district or charter school may be withheld (A.R.S. § 15-112). However, in 2017, this statute was found to be in violation of the First and Fourteenth Amendments (González v. Douglas).

<u>Laws 2021, Chapter 404 § 21</u> prohibits a school district, charter school or state agency employee who is involved with students and teachers in preschool through the 12th grade from allowing instruction in specified concepts relating to race, ethnicity or sex. In 2022, the Arizona Supreme Court voided this section as parts of Laws 2021, Chapter 404 were found to violate the state Constitution's title requirement (<u>Arizona School Boards Association, Inc. et al. v. State of Arizona</u>).

Provisions

Prohibition on Specified Instruction

- 1. Prohibits a public school, school district, state agency or an employee from providing or allowing any person to provide instruction to students or employees that promotes or advocates for any of the following:
 - a) judging an individual based on their race or ethnicity;
 - b) that one race or ethnic group is inherently morally or intellectually superior to another;
 - c) that an individual is racist or oppressive by virtue of their race or ethnicity;
 - d) that an individual should be invidiously discriminated against or receive adverse treatment because of their race or ethnicity;
 - e) that an individual's moral character is determined by their race or ethnicity;
 - f) that an individual bears responsibility or blame for actions committed by other members of the same race or ethnic group; or
 - g) that academic achievement, meritocracy or other traits are racist or were created by members of a particular race or ethnic group to oppress others. (Sec. 2)
- 2. Subjects a certificated or noncertificated person who violates the prohibition to disciplinary action as deemed appropriate by SBE. (Sec. 2)

☐ Prop 105 (45 votes)	☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	☐ Fiscal Note

- 3. States employees or invitees of a public school, school district or state agency are not prevented from providing instruction that discusses historical movements, ideologies or instances of racial hatred or discrimination. (Sec. 2)
- 4. Defines employee, instruction and state agency. (Sec. 2)

Complaint Process and Civil Penalty

- 5. Authorizes a student, employee or student's parent to file a complaint with an appropriate designated administrator if the student or employee receives instruction that allegedly violates the prohibition. (Sec. 2)
- 6. States a student, employee or student's parent may not file more than one complaint in any 30-day period and that complaints may identify multiple alleged violations. (Sec. 2)
- 7. Directs the designated administrator to determine in writing whether the violation occurred and act to resolve the complaint within 60 days if a violation occurred. (Sec. 2)
- 8. Enables a student, employee or student's parent to appeal a determination made or action taken by a designated administrator of a school district or charter school by filing a complaint with the school district governing board (governing board) or charter school governing body (governing body). (Sec. 2)
- 9. Mandates a governing board or governing body:
 - a. hold a hearing to determine if the violation occurred;
 - b. act to resolve the complaint within 30 days if a violation occurred; and
 - c. include an explanation of any determination made. (Sec. 2)
- 10. Allows a student, employee or student's parent to file a complaint with SBE or the SPI for an alleged violation after the public school, school district or state agency has had the opportunity to resolve the complaint as prescribed. (Sec. 2)
- 11. Instructs SBE or the SPI to notify the public school, school district or state agency if it is in violation of the prohibition. (Sec. 2)
- 12. Permits SBE or the SPI to impose a civil penalty of up to \$5,000 per violation. (Sec. 2)
- 13. Requires SBE or the SPI, if it is determined a public school, school district or state agency has failed to correct the violation within 30 days after notice from SBE or the SPI, to impose a civil penalty of up to \$5,000 for each day a violation continues. (Sec. 2)
- 14. Specifies who the designated administrator is for a school district or charter school. (Sec. 2)
- 15. States actions taken by SBE or the SPI are subject to appeal according to Uniform Administrative Hearing Procedures. (Sec. 2)
- 16. Clarifies that instruction that violates the prohibition constitutes a single violation if it results from a single act or series of related acts. (Sec. 2)

Miscellaneous

- 17. Allows for age- and grade-appropriate child assault awareness and abuse prevention classroom instruction. (Sec. 2)
- 18. Repeals statute relating to:
 - Age- and grade-appropriate child assault awareness and abuse prevention classroom instruction;
 and
 - b. Prohibited instruction on specified concepts relating to race, ethnicity or sex. (Sec. 1)



Fifty-sixth Legislature First Regular Session

House: ED DP 9-1-0-0

HB 2459: schools; governing board members; employment Sponsor: Representative Pingerelli, LD 28 Caucus & COW

Overview

Stipulates a school district may not employ a person who served on the school district's governing board (governing board) during the preceding two years.

History

The governing body of a school district is the governing board. To run for election to a governing board, a person must be a registered voter of Arizona and have resided in the school district for at least one year immediately prior to the election. Furthermore, a currently serving governing board member cannot serve simultaneously on another governing board or run to be a member of another governing board, unless it is the last year of their term. Statute prohibits a school district employee, including a person who provides services as an employee of a third-party contractor, or the spouse of such an employee from holding membership on the school district's governing board.

If the governing board is composed of five members, immediate family who have the same household of residence within four years cannot serve simultaneously on the same governing board. Statute establishes an exception to this rule for a small school district meeting other prescribed criteria (A.R.S. § 15-421).

Finally, a governing board member's dependent may not be employed in the same school district without consent from the governing board (A.R.S. § 15-502).

- 1. Prohibits a school district from employing, including employment through a third-party contractor, any individual who served on the school district's governing board during the preceding two years. (Sec. 1)
- 2. Allows a school district to increase the prescribed prohibition period to more than two years. (Sec. 1)
- 3. Makes technical and conforming changes. (Sec. 1)

☐ Prop 105 (45 votes)	☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	☐ Fiscal Note	



Fifty-sixth Legislature First Regular Session

House: ED DP 8-2-0-0

HB 2460: suspension; requirements; K-4 students Sponsor: Representative Pingerelli, LD 28 Caucus & COW

Overview

Provides that the statutory criteria required for the suspension or expulsion of a pupil in kindergarten or the 1st-4th grades do not apply to suspensions not exceeding two days.

History

A pupil may be expelled for: 1) continued defiance of authority or disruptive behavior; 2) violent behavior that includes a dangerous instrument or deadly weapon; 3) possession of a gun; 4) excessive absenteeism if prescribed criteria are met; or 5) other actions a school district deems appropriate for expulsion. A school district or charter school must expel a pupil for at least one year for bringing a firearm to school or for threatening an educational institution (A.R.S. § 15-841).

Unless expulsion is required due to a pupil possessing a firearm, a school district or charter school may suspend or expel a pupil in kindergarten or the 1st-4th grades only if all the following apply:

- 1) The pupil is at least seven years old;
- 2) The pupil engaged in conduct on school grounds that:
 - a) Involves the possession of an unauthorized dangerous weapon;
 - b) Involves a dangerous or a narcotic drug or violates drug free school zones;
 - c) Immediately endangers the health or safety of others; or
 - d) The pupil's behavior qualifies as aggravating circumstances and other prescribed criteria are met:
- 3) Failing to remove the pupil would create a safety threat that cannot otherwise be reasonably addressed or qualifies as aggravating circumstances;
- 4) The school district or charter school considers and employs, while maintaining the health and safety of others and in consultation with the pupil's parent to the extent possible, alternative behavioral and disciplinary interventions; and
- 5) Readmission procedures are provided upon parental appeal for:
 - a) Pupils who have served at least 5 school days of a suspension that exceeds 10 school days; and
 - b) Pupils who are expelled from or subject to alternative reassignment at the school, at least 20 day

☐ Prop 105 (45 votes)	☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	☐ Fiscal Note

c) s after the effective date of the expulsion or alternative assignment (A.R.S. § 15-843).

- 1. Exempts a school district or charter school from having to meet the prescribed criteria for the suspension of a pupil in kindergarten or the 1st-4th grades if the suspension does not exceed two days. (Sec. 1)
- 2. Makes technical and conforming changes. (Sec. 1)



Fifty-sixth Legislature First Regular Session

House: ED DP 6-4-0-0

HB 2523: schools; pledge of allegiance; requirement Sponsor: Representative Parker B, LD 10 Caucus & COW

Overview

Requires students in kindergarten programs and the 1st-12th grades to recite the Pledge of Allegiance during the time set aside by the school district or charter school.

History

A school district or charter school must acquire United States flags that are manufactured in the United States and that are at least two feet by three feet. These flags must be displayed in accordance with federal law in each classroom and outside school buildings during school hours and as directed by school authorities.

In addition to the display of the United States flag, a school district or charter school is required to set aside a specific time each day for students who wish to recite the Pledge of Allegiance. Statute also mandates that, for kindergarten programs and the 1st-12th grades, between one to two minutes be set aside at the beginning of each school day for students to engage in a moment of silence (A.R.S. § 15-506).

- 1. Specifies school districts and charter schools must set aside a specific time each day for students in kindergarten programs and the 1st-12th grades who wish to recite the Pledge of Allegiance. (Sec. 1)
- 2. Mandates each student recite the Pledge of Allegiance during the time set aside. (Sec. 1)
- 3. Exempts a student from having to recite the Pledge of Allegiance at the request of:
 - a. the student's parent; or
 - b. the student if the student is at least 18 years old. (Sec. 1)

☐ Prop 105 (45 votes)	☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	☐ Fiscal Note



Fifty-sixth Legislature First Regular Session

House: GOV DP 9-0-0-0

HB 2017: public officers; residency requirements
Sponsor: Representative Dunn, LD 25
Caucus & COW

Overview

Permits the deputy or assistant of an elected officer to not be a resident of Arizona.

History

Currently, every officer must be at least eighteen years of age, a citizen of the United States and a resident of Arizona (A.R.S. § 38-201).

An *officer* means the incumbent of any office, member of any board or commission, or his deputy or assistant exercising the powers and duties of the officer, other than clerks or mere employees of the officer (A.R.S.§ 38-101).

An officer is authorized to appoint deputies and assistants when permitted by law. Any appointment of deputies and assistants must be in writing and filed in the office of the Secretary of State by the state officer (A.R.S § 38-461). Unless otherwise provided, the deputy of a state officer holds the power and can perform duties prescribed by law for the office of the principal (A.R.S. § 38-462).

- 1. Stipulates that an elected officer's deputy or assistant is not required to be an Arizona resident. (Sec. 1)
- 2. Makes technical changes. (Sec. 1)

☐ Prop 105 (45 votes)	☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	☐ Fiscal Note	



Fifty-sixth Legislature First Regular Session

House: GOV DPA 9-0-0-0

HB 2044: municipal general plan; adoption Sponsor: Representative Bliss, LD 1 Caucus & COW

Overview

Modifies the regulations for how a city or town adopts a new general plan.

History

Currently, a municipality's general plan must be adopted or readopted. The adoption or readoption of a general plan must be by resolution of the governing body of the municipality and must be approved by affirmative vote of at least two-thirds of the members of the governing body. A general plan, with any amendment, is effective for 10 years after the date the plan was initially adopted and ratified, readopted or ratified (A.R.S. § 9-461.06).

The governing body of a city or town with a population of more than 2,500 individuals but less than 10,000 and whose population growth rate exceeded an average of two percent per year for the 10 year period before the most recent United States decennial census and any city or town with a population of 10,000 or more is required to submit a new general plan to the voters for ratification at the next regularly scheduled municipal election or at a special election scheduled 120 days after the governing body adopted the plan (A.R.S. § 9-461.06).

Provisions

- 1. States a governing body may submit a new general plan to voters for ratification in a municipality with a specified population and a growth rate that did not exceed an average of two percent per year and whose current general plan was approved by the voters. (Sec. 1)
- 2. Specifies if the current general plan was approved by the voters, then a new general plan may be submitted for ratification at the next municipal election or special election scheduled 180 days after the governing body adopted the plan. (Sec. 1)
- 3. Makes technical changes. (Sec. 1)

Amendments

Committee on Government

1. Increases the number of days a new general plan can be submitted to the voters at a special election whose population growth rate exceeded an average of two percent per year from 120 to 180 days.

☐ Prop 105 (45 votes)	☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	☐ Fiscal Note



Fifty-sixth Legislature First Regular Session

House: GOV DP 9-0-0-0

HB 2052: counties; advertising contracts; term; notice Sponsor: Representative Dunn, LD 25 Caucus & COW

Overview

Eliminates mandates on a county board of supervisors (board) regarding notices for bids for advertising, publications and printing services.

History

Currently, written notice for contract bids must be deposited in the post office by the clerk of the board, postage prepaid, addressed to the office of each qualified newspaper within the county. The written notices for contract bids must be sent ten days before the opening of bids (A.R.S. § 11-255).

A contract must be made with the lowest and best bidder, at the discretion of the board, and to a newspaper which was admitted to the United States mail as second-class matter for at least one year, if the bid is within the legal rate (A.R.S. § 11-255).

- 1. Removes the annual contracting requirement of a board for advertising, publications and printing services. (Sec. 1)
- 2. Removes the requirement to mail the notice only by the clerk of the board. (Sec. 1)
- 3. Allows sending written notices electronically. (Sec. 1)
- 4. Makes technical and conforming changes. (Sec. 1)

☐ Prop 105 (45 votes)	☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	☐ Fiscal Note	
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Fifty-sixth Legislature First Regular Session

House: GOV DP 9-0-0-0

HB 2143: rulemaking review; time frame Sponsor: Representative Dunn, LD 25 Caucus & COW

Overview

Modifies the time a state agency has to review, and correct, a rule if granted a onetime rulemaking exemption.

History

Currently, an agency has one year after the rule has been adopted under the rulemaking exemption for the agency to review the rule to determine whether the rule adopted should be amended or repealed (A.R.S. § 41-1095).

The Governor's Regulatory Review Council (GRRC) may require an agency to propose an amendment or repeal of a rule by a date no earlier than six months after GRRC determines the rule to be materially flawed (A.R.S. § 41-1095).

- 1. Revises the time frame from one year to six months for an agency that the Legislature has granted a onetime rulemaking exemption to review an adopted rule to determine whether the rule should be amended or repealed. (Sec. 1)
- 2. Repeals the requirement that the agency's report to GRRC must include that the agency published otherwise exempt rules or provided the public with an opportunity to comment on the rules. (Sec. 1)
- 3. Changes the time frame that an agency must propose an amendment or repeal of a rule to no earlier than 90 days after GRRC determines the rule to be materially flawed. (Sec. 1)
- 4. Makes technical changes. (Sec. 1)

☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	☐ Fiscal Note	
	☐ Prop 108 (40 votes)	☐ Prop 108 (40 votes) ☐ Emergency (40 votes)	□ Prop 108 (40 votes) □ Emergency (40 votes) □ Fiscal Note



Fifty-sixth Legislature First Regular Session

House: GOV DP 9-0-0-0

HB2171: Don Bolles memorial.

Sponsor: Representative Longdon, LD 5

Caucus & COW

Overview

Authorizes Legislative Council (Council) to create a memorial of Don Bolles in Wesley Bolin Plaza.

History

Don Bolles was an investigative journalist for The Arizona Republic. In June of 1976, he was killed in a car bombing in a parking lot outside of the Hotel Clarendon.

A monument or memorial recognizing or honoring a person, group, entity or event will be in the governmental mall only if a legislative act authorizes it (A.R.S. § 41-1363).

After authorization, for a monument or a memorial to be established it must:

- 1) Proponents must submit design, dimension and location to Council;
- 2) Council will review and determine the most appropriate location;
- Council will approve a final design, dimension, location, maintenance requirements, minimum required deposit in the state monument and memorial repair fund and any statement, declaration, writings or inscription on the monument or memorial;
- 4) Before construction, the proponents must enter a contract with Council, including final design, dimensions and location of the monument or memorial and the employees and contractors working on the project; and
- 5) An approved monument must be completed within two years of the legislative act authorizing the monument or memorial (A.R.S. § 41-1363).

Council is responsible for the allocation of space, operation, alteration, renovation and control of Wesley Bolin memorial plaza with the exception of some of the parking spaces (A.R.S. § 41-1304.05).

- 1. Authorizes Council to place a memorial in Wesley Bolin Plaza dedicated to Don Bolles. (Sec. 1)
- 2. Prohibits the use of public monies for the costs of the memorial. (Sec. 1)
- 3. Mandates fundraising and contracts for artistic design and construction of the memorial are the responsibility of the proponents. (Sec. 1)
- 4. Prohibits the state from facilitating fundraising or establishing a state fund for the deposit of the monies. (Sec. 1)
- 5. Repeals this Act on October 1, 2026. (Sec. 1)

☐ Prop 105 (45 votes)	☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	☐ Fiscal Note



Fifty-sixth Legislature First Regular Session

House: GOV DP 9-0-0-0

HB2210: library trustees; annual report Sponsor: Representative Wilmeth, LD 2 Caucus & COW

Overview

Changes the due date of the annual report the trustees of a public library (trustees) provide to the governing body of a city or town.

History

Currently, the trustees must make a report to the governing body of a city or town on or before the first Monday of July (A.R.S. § 9-418).

The annual report by trustees includes:

- 1) A statement of all property and money received. Where it came from and how it was used;
- 2) The number of books, journals and other publications on hand, the number gained, lost or missing and the number loaned; and
- 3) Other statistics, information and suggestions (A.R.S. § 9-418).

Trustees oversee the library and all library property. They are appointed from the governing body of the city or town (A.R.S. §§ 9-414, 9-415).

The 4th of July falls on a Monday every 5-11 years.

- 1. Changes the due date of the annual report of trustees to on or before the second Monday of July. (Sec 1)
- 2. Makes technical changes. (Sec. 1)

☐ Prop 105 (45 votes)	☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	☐ Fiscal Note	



Fifty-sixth Legislature First Regular Session

House: GOV DP 9-0-0-0

HB 2214: session law; font color Sponsor: Representative Griffin, LD 19 Caucus & COW

Overview

Directs the font color utilized by Legislative Council (Council) when preparing or revising temporary law for bills and amendments.

History

Currently, Council must prepare and issue styles and forms for drafting bills and amendments for the use of the Legislature. Additionally, the styles and forms utilized by Council for drafting amendments must be developed and adopted in consultation with the Senate and House of Representatives (A.R.S. § 41-1304).

Enacted provisions that have only a temporary application are not codified in statute and are known as temporary laws. Temporary laws could be used, for example, to establish a study committee or provide a temporary exemption from or suspension of statutory law (<u>Legislative Council</u>).

1.	Requires Council to utilize a font color other than black when preparing or revising temporary law for bills and amendments. (Sec. 1)

	☐ Fiscal Note	☐ Emergency (40 votes)	☐ Prop 108 (40 votes)	☐ Prop 105 (45 votes)
_	☐ Fiscal Note	☐ Emergency (40 votes)	☐ Prop 108 (40 votes)	☐ Prop 105 (45 votes)



Fifty-sixth Legislature First Regular Session

House: GOV DP 9-0-0-0

HB2225: ADOA; alternative routes applicants
Sponsor: Representative Gress, LD 4
Caucus & COW

Overview

Requires the Director of the Department of Administration (ADOA) to evaluate state employee positions (Positions) for those suitable for skilled through alternative routes applicants (Applicants). Outlines additional administrative requirements.

<u> History</u>

The Director must group positions into classes based on similarities of duties and responsibilities. All positions are assigned a class specification with a specific title. A class specification indicates the kinds of positions to be allocated to the class, as determined by the duties and responsibilities described for that class. Each contain a statement of the minimum education, experience, competencies and other qualifications required to perform the work (A.A.C. R2-5A-201).

An agency head shall ensure that any candidate selected for hire meets the established qualifications for the position (A.A.C. R2-5A-304).

- 1. Mandates the Director of ADOA to evaluate and identify all Positions suitable for Applicants. (Sec. 1)
- 2. Requires ADOA's online state jobs application portal to identify Positions suitable for applicants with postsecondary degrees and those suitable for Applicants. (Sec. 1)
- 3. Stipulates that on or before October 1, 2023, the Director of ADOA must submit a report on the Positions that may be modified to accept Applicants to:
 - a) The Governor;
 - b) The President of the Senate;
 - c) The Speaker of the House of Representatives; and
 - d) The Secretary of the State. (Sec. 1)
- 4. Defines skilled through alternative routes applicants. (Sec. 1)
- 5. States, as session law, the act may be cited as the Arizona Works Project Act. (Sec. 2)

☐ Prop 105 (45 votes)	☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	☐ Fiscal Note	
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Fifty-sixth Legislature First Regular Session

House: GOV DP 8-1-0-0

HB 2298: planned community authority; public roadways Sponsor: Representative Carter, LD 15 Caucus & COW

Overview

Stipulates a homeowners' association (HOA) whose declaration was recorded before January 1, 2015 has until June 30, 2025 to hold a vote to continue regulating public roadways or it will revert back to government control.

History

An HOA is an organization of property owners in a condominium or planned community. These organizations are created to operate shared areas of their respective communities and run by a Board of Directors (Board) that are elected by members and acts on their behalf (A.R.S. §§ 33-1202, 33-1802, 33-2001).

Currently, statute specifies that an HOA, whose declaration is recorded after December 31, 2014, has no authority over and cannot otherwise regulate any roadway owned or held by a governmental entity (<u>A.R.S.</u> § 33-1818).

- 1. States that an HOA whose declaration was recorded before January 1, 2015 and that regulates any roadway owned or held by a governmental entity continues to be in effect until either:
 - a. The HOA holds a vote, no later than June 30, 2025, to continue to regulate public roadways and agrees to continue regulating public roadways in which case the HOA will retain its authority; or
 - b. If the HOA holds a vote and it fails or the HOA does not hold a vote, the HOA will no longer have authority to regulate public roadways and any existing regulations will expire. (Sec. 1)
- 2. Specifies that a quorum of owners is required in order to vote to continue the regulation of public roadways. (Sec. 1)
- 3. Directs the Board to record a document in the Office of the County Recorder confirming that the HOA continues to regulate the public roadways if applicable. (Sec. 1)
- 4. Amends the applicability date from December 31, 2014 to January 1, 2015. (Sec.1)

☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	☐ Fiscal Note	
·	·		
	☐ Prop 108 (40 votes)	☐ Prop 108 (40 votes) ☐ Emergency (40 votes)	☐ Prop 108 (40 votes) ☐ Emergency (40 votes) ☐ Fiscal Note



Fifty-sixth Legislature First Regular Session

House: GOV DP 5-4-0-0

HB 2379: hotel; motel; vouchers; homeless; prohibition Sponsor: Representative Gress, LD 4 Caucus & COW

Overview

Outlines restrictions on a county, city or town's ability to require a hotel or motel to house homeless individuals or families (homeless).

History

The housing voucher program is the federal government's major program for assisting very low-income families, the elderly and persons with disabilities to afford decent, safe and sanitary housing in the private market. A rental subsidy is paid to the owner of the housing by the Arizona Department of Housing (ADOH) on behalf of the family. The family then pays approximately 30% of its household income to cover the rest of the rental rate (ADOH).

- 1. Prohibits a county, city or town from requiring a hotel, or motel, to participate in a program that houses the homeless in an unoccupied guest room through a housing voucher. (Sec.1,2)
- 2. Defines homeless individuals or families. (Sec. 1,2)
- 3. Defines hotel or motel. (Sec. 1,2)

	☐ Prop 105 (45 votes)	☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	☐ Fiscal Note				
	D 40 5124							



Fifty-sixth Legislature First Regular Session

House: GOV DPA 8-0-0-1

HB 2536: administrative review; approvals; developments.
Sponsor: Representative Toma, LD 27
Caucus & COW

Overview

Outlines actions the legislative body of a city or town (Body) may authorize during the administrative review process of select functions.

History

The Body must regulate the subdivision of all lands within its corporate limits by ordinance prescribing:

- 1) Procedures for the preparation, submission, review and approval or rejection of all final plats;
- 2) Standards governing the design of subdivision plats; and
- 3) Minimum requirements and standards for the installation of subdivision streets, sewer and water utilities and improvements as a condition of final plat approval (A.R.S § 9-463.01).

Currently, a municipality must have in place an overall time frame for which it will either grant or deny each type of license it issues. The overall time frame for each type of license must state separately the administrative completeness review time frame and the substantive review time frame. Additionally, it must post this information on its website (A.R.S. § 9-835).

Provisions

- 1. Specifies that the Body, by ordinance, may:
 - a. Authorize administrative personnel (Personnel) to review and approve site plans, development plans and preliminary or final plats without a public hearing;
 - b. Authorize Personnel to review and approve design review plans based on objective standards without a public hearing;
 - Adopt a self-certification program that allows registered architects and professional engineers to certify and be responsible for compliance with ordinances and construction standards for qualified projects;
 - d. Allow at-risk submissions for select on-site preliminary grading or drainage work; and
 - e. Allow qualified applicants to be eligible for expedited permit review. (Sec. 1)
- 2. Stipulates applicable license applications are subject to municipal regulations relating to licensure. (Sec. 1)

Amendments

Committee on Government

1. Adds counties to the legislation.

☐ Prop 105 (45 votes)	☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	☐ Fiscal Note



Fifty-sixth Legislature First Regular Session

House: GOV DP 8-1-0-0

HB 2545: legislators; unpaid leave of absence Sponsor: Representative McGarr, LD 17 Caucus & COW

Overview

Stipulates restrictions on an employer of a member of the Legislature during session.

<u>History</u>

All legislators are elected for two-year terms and currently, both Senators and Representatives may serve only four consecutive terms in their offices (Art. IV, part 2, sec. 21).

Candidates are nominated by the voters who are registered with their political party and by those voters who designate that party's ballot at primary elections. Once elected, a legislator has the right to remain in office during good behavior (Arizona Leg. Manual).

- 1. Requires an employer to allow an employee to take an unpaid leave of absence when the employee:
 - a. Serves as an elected member in the Senate or the House of Representatives during a Legislative session; or
 - b. Is required to perform administrative duties as required by the Legislature as an elected member. (Sec 1)
- 2. Prohibits an employer from terminating an employee on the sole basis that the employee submits documentation to the Secretary of State indicating an intent to run for the Senate or the House of Representatives. (Sec. 1)
- 3. Stipulates if the employee meets the requirements for an unpaid leave of absence the employer may
 - a. Require the employee to use annual, vacation or sick leave;
 - b. Penalize the employee;
 - c. Remove the employee's seniority;
 - d. Demote the employee; or
 - e. Terminate the employee. (Sec. 1)
- 4. Excludes the following employers:
 - a. A nonprofit organization;
 - b. A lobbying firm that employs one or more registered lobbyists;
 - c. This state, any political subdivision of this state or a federal government entity. (Sec. 1)
- 5. States this act may be cited as the Blue Collar Legislator Act. (Sec. 2)

☐ Prop 105 (45 votes)	☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	☐ Fiscal Note



Fifty-sixth Legislature First Regular Session

House: GOV DP 9-0-0-0

HB 2547: zoning ordinances; property rights; costs Sponsor: Representative Toma, LD 27 Caucus & COW

Overview

Requires the legislative body of a municipality (Body) to adopt an individual property rights cost of housing impact statement (Statement) before adopting any zoning ordinance or zoning ordinance text amendment (Ordinance).

History

Under current law, the Body must consider the individual property rights and personal liberties of the residents of the municipality before adopting any zoning ordinance in accordance with the Arizona Constitution (A.R.S. § 9-462.01).

Currently, the Body must consider the probable impact of a proposed Ordinance on the cost to construct housing for sale or rent before adopting any Ordinance (A.R.S. § 9-462.01).

- 1. Repeals statute that required the Body to consider the property rights and personal liberties of the residents of the municipality before adopting any zoning ordinance. (Sec. 1)
- 2. Repeals statute that required the Body to consider the impact of a proposed Ordinance on the cost to construct housing for sale or rent before adopting any ordinance. (Sec. 1)
- 3. Requires the Body to consider and adopt a Statement regarding the impact of an Ordinance and include the following in the Statement:
 - a. A general statement of the probable impact of the Ordinance on the individual property rights and personal liberties of the property owners of the municipality in accordance with the Arizona Constitution:
 - b. A general statement of the probable impact on the cost to construct housing for sale or rent;
 - c. A description of any data or reference material on which the proposed Ordinance is based;
 - d. A description of any less costly or less restrictive alternative methods of achieving the purpose of the proposed Ordinance. (Sec. 1)
- 4. Makes conforming changes. (Sec. 1)

☐ Prop 105 (45 votes)	☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	☐ Fiscal Note	



Fifty-sixth Legislature First Regular Session

House: GOV DP 5-4-0-0

HCM 2007: state immigration enforcement; urging Congress Sponsor: Representative Griffin, LD 19
Caucus & COW

Overview

Expresses the legislative desire that Congress enact the State Immigration Enforcement Act.

History

Currently, the Arizona Department of Homeland Security (AZDOHS) engages in immigration enforcement actions to prevent unlawful entry into the United States and to apprehend and deport noncitizens who have violated or failed to comply with U.S. immigration laws. Primary responsibility for the enforcement of immigration law within AZDOHS rests with U.S. Customs and Border Protection, U.S. Immigration and Customs Enforcement and U.S. Citizenship and Immigration Services (AZDOHS).

H.R. 9174, the State Immigration Enforcement Act, would allow states or political subdivisions of states, to enact, implement and enforce criminal penalties that is prohibited in the criminal provisions of immigration laws (H.R. 9174).

- 1. States the Arizona House of Representatives and Arizona Senate encourage the U.S. Congress to enact the State Immigration Enforcement Act.
- 2. Dirrects the Secretary of State send copies of this memorial to:
 - a) The President of the United States;
 - b) The President of the United States Senate;
 - c) The Speaker of the United States House of Representatives; and
 - d) Each member of Congress from Arizona.

☐ Prop 105 (45 votes)	☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	☐ Fiscal Note	



Fifty-sixth Legislature First Regular Session

House: HHS DP 9-0-0-0

HB 2037: dentists; registration; civil penalty; repeal Sponsor: Representative Bliss, LD 1 Caucus & COW

Overview

Repeals the penalty for a dentist who dispenses drugs for profit without being registered to do so by the Arizona State Board of Dental Examiners (Board), except in emergency situations.

<u> History</u>

Current law outlines the practice of dentistry as the diagnosis, surgical or nonsurgical treatment and performance of related adjunctive procedures for any disease, pain, deformity, deficiency, injury or physical condition of the human tooth or teeth, alveolar process, gums, lips, cheek, jaws, oral activity and associated tissues of the oral maxillofacial complex, including the removal of stains, discolorations and concretions and administering botulinum toxin type A (Botox) and dermal fillers (A.R.S. § 32-1202).

Dentists are authorized to dispense prescription drugs, except schedule II-controlled substances that are opioids, and devices if: 1) all dispensed drugs are packaged and labeled with specified information; 2) documented with the name, strength, date and therapeutic reason for the dispensed drug into the patient's dental records; and 3) kept in a secured cabinet or room with controlled access by written procedures and maintained an ongoing inventory of its contents.

A dentist can dispense for profit only to their own patients and for conditions being treated by that dentist. Except in emergency situations, a dentist who dispenses drugs for profit without being registered by the Board is subject to a civil penalty of not less than \$300 and not more than \$1,000 for each transaction and prohibited from dispensing for a period of time as prescribed by the Board (A.R.S. § 32-1298).

- 1. Removes the stipulation that a dentist, except in emergency situations, who dispenses drugs for profit without being registered by the Board, is subject to:
 - a. a civil penalty of not less than \$300 and not more than \$1,000; and
 - b. prohibited from dispensing for a period of time. (Sec. 1)
- 2. Makes technical and conforming changes. (Sec. 1)

□ Prop 105 (45 votos)	□ Prop. 109 (40 votos)	□ Emergency (40 vetee)	□ Figgal Note
☐ Prop 105 (45 votes)	☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	



Fifty-sixth Legislature First Regular Session

House: HHS DP 9-0-0-0

HB 2042: acute care services; pilot program Sponsor: Representative Bliss, LD 1 Caucus & COW

Overview

Extends the Acute Care Services at Home Pilot Program (pilot program) until January 1, 2027.

<u>History</u> <u>Laws 2021, Chapter 320</u> established a three-year pilot program that allowed for the delivery of acute care services to patients in their home by licensed Arizona hospitals. The pilot program is administered by the Arizona Department of Health Service who establishes the pilot program's rules and collaborates with interested hospitals (<u>Hospital at Home Program</u>). The pilot program terminates January 1, 2025.
Provisions1. Delays the repeal date for the Acute Care Services at Home Pilot Program until January 1, 2027. (Sec. 1)

☐ Prop 105 (45 votes)	☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	☐ Fiscal Note	



Fifty-sixth Legislature First Regular Session

House: HHS DP 7-1-0-1

HB 2046: board of psychologist examiners Sponsor: Representative Bliss, LD 1 Caucus & COW

Overview

Adds that an applicant demonstrates satisfaction of licensure requirements for a psychologist license if graduated with a doctoral degree from a program accredited by the Canadian Psychological Association (CPA).

History

<u>Laws 1965, Chapter 102</u> created the <u>Arizona Board of Psychologist Examiners</u> (APBE). APBE licenses individuals to practice psychology or behavior analysis in Arizona and investigates and adjudicates allegations of unprofessional conduct filed against psychologists and behavior analysts licensed in Arizona.

An applicant must have a doctoral degree from a higher education institution (Institution) in clinical or counseling psychology, school or educational psychology or any other subject area in applied psychology acceptable to APBE. Statute outlines specified requirements for an Institution's doctoral psychology program which include: 1) accreditation from regional accrediting agencies; 2) identifiable psychology faculty; and 3) a core program that requires certain graduate semester hours in certain content areas. Applicants are also required to acquire 3,000 hours of supervised professional work experience (A.R.S. § 32-2071).

Currently, an applicant meets the requirements of statute if they have earned a doctoral degree from a program that was accredited by the American Psychological Association, Office of Program Consultation and Accreditation or the Psychological Clinical Science Accreditation System at the time of graduation (A.R.S. § 32-2071.01).

The <u>CPA</u> was created in 1939 and incorporated under the Canada Corporations Act, Part II, in May 1950. Its mission is to advance research, knowledge and the application of psychology in the service of society through advocacy, support and collaboration. CPA accredited programs can be found <u>here</u>.

- 1. States that an applicant demonstrates satisfaction of licensure requirements for a psychologist license if graduated with a doctoral degree from a CPA accredited program. (Sec. 4)
- 2. Removes the requirement that an applicant who is licensed to practice psychology at the independent level in another licensing jurisdiction of the U.S. or Canada must submit evidence of having practiced independently at the doctoral level for a minimum of five years. (Sec. 4)
- 3. Allows APBE to accept primary-source credentials from a credentials verification service approved by them. (Sec. 4)
- 4. Specifies that APBE is not required to verify any documentation or information received by APBE from a credentials verification service that has been approved by them. (Sec. 4)
- 5. Permits an applicant for a psychologist license to take the knowledge portion of the APBE examination after the applicant completes education requirements, which does not include the statutory dissertation or experience requirements. (Sec. 5)
- 6. Asserts that a person who holds a valid temporary issued license can use the title *Licensed Associate Psychologist*. (Sec. 6)

7.	Makes technical and conforming changes. (Sec. 1-3,5,6)



Fifty-sixth Legislature First Regular Session

House: HHS DP 9-0-0-0

HB 2211: supplemental nutrition assistance program; eligibility Sponsor: Representative Wilmeth, LD 2
Caucus & COW

Overview

Allows individuals convicted of a felony offense involving the use or possession of a controlled substance to be eligible for the Supplemental Nutrition Assistance Program (SNAP) if they are in compliance with all terms of probation, including any applicable drug testing requirements.

<u> History</u>

<u>SNAP</u> is a federal program that provides nutrition benefits to low-income individuals and families that are used at stores to purchase food. Individuals must apply in the state in which they currently live and meet certain requirements. The Arizona Department of Economic Security (DES) receives and reviews applications of eligible recipients for SNAP benefits.

Individuals convicted of a controlled-substance related felony may be eligible for SNAP benefits if they meet one of the following criteria:

- 1) successfully complete a substance abuse treatment program;
- 2) is currently enrolled or accepted into a substance abuse treatment program, but placed on a waiting list;
- 3) is currently accepted for treatment in and is participating in a substance abuse treatment program;
- 4) is determined by a licensed medical provider not to need substance abuse treatment; or
- 5) if applicable, is in compliance with all terms of probation.

DES is required to adopt drug testing rules that include more frequent drug testing for offenses that occurred within 24 months of an individual's date of application (A.R.S. § 46-219).

- Permits a person convicted of a felony offense involving the use or possession of a controlled substance to be eligible for SNAP benefits if the person follows all terms of probation, including any applicable drug testing requirements. (Sec. 1)
- 2. Removes the following SNAP eligibility criteria:
 - a. successful completion of a substance abuse treatment program;
 - b. being enrolled or accepted into a substance abuse treatment program, but placed on a waiting list;
 - is currently accepted for treatment in and is participating in a substance abuse treatment program;
 or
 - d. is determined by a licensed medical provider not to need substance abuse treatment. (Sec. 1)
- 3. Repeals the requirement that DES adopt rules related to drug testing for SNAP eligibility after conviction. (Sec.1)
- 4. Makes technical and conforming changes. (Sec. 1)

☐ Prop 105 (45 votes) ☐ Prop 108 (40 votes) ☐ Emergency (40 votes) ☐ Fiscal Note				
	☐ Prop 105 (45 votes)	☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	☐ Fiscal Note



Fifty-sixth Legislature First Regular Session

House: HHS DP 9-0-0-0

HB 2473: dental hygienists; scope of practice Sponsor: Representative Montenegro, LD 29 Caucus & COW

Overview

Modifies the scope of practice for dental hygienists to include a dental hygiene assessment and hygiene treatment planning.

History

An individual is deemed to be practicing as a dental hygienist if they do any of the specified acts or perform any of the operations included in the general practice of dental hygienists, dental hygiene and all related and associated duties.

These acts include: 1) prophylaxis; 2) scaling; 3) closed subgingival curettage; 4) root planning; 5) administering local anesthetics and nitrous oxide; 6) inspecting the oral cavity and surrounding structures for gathering clinical data to facilitate a diagnoses; 7) periodontal screening or assessment; 8) recording clinical findings; 9) compiling case histories; 10) exposing and processing dental radiographs; 11) all authorized functions as appropriate for dental assistants; 12) restorative functions permissible for an expanded function dental assistant; and 13) placing interim therapeutic restorations (A.R.S. § 32-1281).

A <u>sunrise application</u> was submitted October 31, 2022, requesting an expansion of the scope of practice for dental hygienists to add dental hygiene diagnosis, dental hygiene treatment planning, limited prescriptive authority for fluorides and topically applied antimicrobial agents and administration of injectable botulinum toxins and dermal fillers for therapeutic or cosmetic purposes.

- Expands the scope of practice for dental hygienist to include dental hygiene assessment and dental hygiene treatment planning as components of a diagnosis and treatment plan developed by a dentist. (Sec. 1)
- 2. Defines dental hygiene assessment and dental hygiene treatment planning. (Sec. 1)
- 3. Makes conforming changes. (Sec. 1, 2)

☐ Prop 105 (45 votes)	☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	☐ Fiscal Note



Fifty-sixth Legislature First Regular Session

House: HHS DP 5-4-0-0

HB 2474: school immunizations; exclusions Sponsor: Representative Montenegro, LD 29 Caucus & COW

Overview

States that immunizations for which a U.S. Food and Drug Administration (FDA) emergency use authorization has been issued are not required for school attendance.

History

The Director of the Arizona Department of Health Services (DHS) adopts rules including: 1) prescribing required immunizations for school attendance; 2) approving means of immunization and indicating reinforcing immunizations for diseases; and 3) identifying types of health agencies and health care providers which may sign a laboratory evidence of immunity.

Additionally, these rules must include: 1) required doses; 2) recommended optimum ages for administration of immunizations; 3) persons authorized to sign on behalf of a health agency; and 4) other necessary rules. The Director of DHS, in consultation with the Superintendent of Public Instruction, must develop standards for documentary proof. Currently, immunization against the human papillomavirus, COVID-19 or any variant of COVID-19 is not required for school attendance (A.R.S. § 36-672).

The Federal Food, Drug and Cosmetic Act (FD&C Act) permits the FDA to authorize the use of a drug, device or biological product in emergency situations. Before an emergency use authorization can occur, the U.S. Secretary of Health and Human Services must declare that circumstances exist justifying the authorization based on certain grounds as prescribed by the FD&C Act (21 U.S.C. 360bbb-3).

1.	Adds that an immunization for wh	ch an	FDA	emergency	use	authorization	has	been	issued	is	not
	required for school attendance. (Se	ა. 1)									

☐ Prop 105 (45 votes)	☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	☐ Fiscal Note	



Fifty-sixth Legislature First Regular Session

House: HHS DP 5-4-0-0

HB 2529: scope of practice; process; repeal.

Sponsor: Representative Montenegro, LD 29

Caucus & COW

Overview

Removes the requirement that health professional groups proposing to increase the scope of practice of a state-regulated health profession must complete a statutory sunrise review.

History

Currently, statute provides that a health profession must be regulated by this state only if:

- 1) there is credible evidence that the unregulated practice of that health profession can clearly harm or endanger the public health, safety or welfare and the potential for harm is easily recognizable and not remote or dependent on tenuous argument;
- 2) the public needs and can reasonably be expected to benefit from an assurance of initial and continuing professional ability; and
- 3) the public cannot be effectively protected by other means in a more cost-effective manner (A.R.S. § 32-3103).

A health professional group may file a sunrise application if they would like to be regulated or expand their current scope of practice. Specifically, a health professional group proposing to expand their scope of practice must submit the application that addresses the statutorily prescribed factors and submit it to the President of the Senate and Speaker of the House of Representatives by November 1 before the start of the legislative session.

The President of the Senate and Speaker of the House of Representatives may assign the application to the Senate Health and Human Services Committee and the House of Representatives Health & Human Services Committee or their respective successor committees to review the report. The legislative committees may hold informational hearings on the application and take public comments before the legislative session convenes but must not vote on whether to accept or reject the application.

The health professional group may also request an informational hearing and introduce legislation in the legislative session regardless if an informational hearing is conducted or if any comments were received during the informational hearing. The lack of a hearing must not be considered as either support or rejection of the health professional group's proposed legislation. Sunrise applications that are submitted are not required to be resubmitted for five years, unless there is a material change in the increased scope of practice (A.R.S. §§ 32-3104, 32-3105 and 32-3106).

1.	Repeals the requirement that health professional groups seeking to increase	the scope of practice for
	a state-regulated health profession must complete a statutory sunrise review.	(Sec. 3, 4)

- 2. Modifies terms. (Sec. 1)
- 3. Deletes terms. (Sec. 1)
- 4. Makes technical and conforming changes. (Sec. 1-3)

☐ Prop 105 (45 votes)	☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	☐ Fiscal Note	



Fifty-sixth Legislature First Regular Session

House: JUD DP 8-0-0-0

HB 2055: probation; work time credits; reporting.

Sponsor: Representative Bliss, LD 1

Caucus & COW

Overview

Allows a court to consider *work time credit* as a basis to adjust a probationer's supervised probation period. Specifies a process for a probationer to report to a probation officer. Contains a delayed effective date of January 1, 2024.

History

Current law allows a court to suspend a convicted person's sentence and place the person on a period of probation. A court may also terminate probation early under certain circumstances (A.R.S. § 13-901).

Statute authorizes a court to consider *earned time credit* as a basis to adjust a probationer's supervised probation period if recommended by an adult probation officer. *Earned time credit* equals 20 days for every 30 days that a probationer exhibits positive progression toward the probationer's case plan and is current on certain monetary and nonmonetary obligations. An adjustment for *earned time credit* does not apply to a probationer who is:

- 1) On lifetime probation;
- 2) On probation for any class 2 or 3 felony;
- 3) On probation exclusively for a misdemeanor offense; or
- Required to register as a sex offender.

A court must revoke *earned time credit* awarded to a probationer if the probationer violates probation conditions (A.R.S. § 13-924).

- 1. Adds work time credit as a basis for a court to adjust a probationer's supervised probation period if recommended by an adult probation officer. (Sec. 2)
- 2. Specifies that *work time credit* equals 30 days for every 30 days that a probationer is engaged in eligible employment. (Sec. 2)
- 3. Requires a probationer to provide supporting documentation to a supervising probation officer within 5 business days after completing 30 days of eligible employment. (Sec. 2)
- 4. Instructs a supervising probation officer to verify a probationer's employment and document any denied request for *work time credit*. (Sec. 2)
- 5. Requires that awarded *work time credit* be revoked if a probationer violates probation conditions. (Sec. 2)
- 6. Defines eligible employment and supporting documentation. (Sec. 2)
- 7. Allows a court to require a probationer to report to a probation officer. (Sec. 1)
- 8. Authorizes a probation officer to allow a probationer to fulfill a reporting requirement remotely. (Sec. 1)

☐ Prop 105 (45 votes)	☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	☐ Fiscal Note

 Requires a probation office caregiver obligations and requirements. (Sec. 1) 	cer to consider and accord medical care requirement	mmodate a probationer's wents before setting the pro	ork schedule, family obationer's reporting
10. Entitles this act as the "Ea	rning Safe Reentry Throug	h Work Act of 2023 " (Sec. A	N.
11. Contains a delayed effective			')
12. Makes technical and confo	-		
12. Makes technical and come	orning changes. (Sec. 1, 2))	
☐ Prop 105 (45 votes)	☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	☐ Fiscal Note



Fifty-sixth Legislature First Regular Session

House: JUD DP 8-0-0-0

HB 2168: Good Samaritan; medical assistance Sponsor: Representative Nguyen, LD 1 Caucus & COW

Overview

An emergency measure extending the repeal date for A.R.S. § 13-3423 to July 1, 2028.

History

Current statute prohibits charging or prosecuting an individual for use or possession of a controlled substance or related offenses if the evidence was acquired while seeking medical assistance due to a drug-related overdose. The act of seeking medical assistance for someone experiencing a drug overdose may also be used as a mitigating factor in a criminal prosecution (A.R.S. § 13-3423).

Laws 2018, Chapter 1, § 7, repeals A.R.S. § 13-3423 on July 1, 2023.

- 1. Extends the repeal date for A.R.S. § 13-3423 from July 1, 2023, to July 1, 2028. (Sec. 1)
- 2. Contains an emergency clause. (Sec. 2)

☐ Prop 105 (45 votes)	☐ Prop 108 (40 votes)	⊠ Emergency (40 votes)	☐ Fiscal Note



Fifty-sixth Legislature First Regular Session

House: JUD DP 4-3-1-0

HB 2169: sexual conduct; minor; classification; sentence Sponsor: Representative Nguyen, LD 1
Caucus & COW

Overview

Reclassifies sexual conduct with a minor of at least 15 years of age as a class 4 felony and requires a person convicted of the offense to serve one year of jail time if placed on probation.

History

A person commits sexual conduct with a minor by intentionally or knowingly engaging in sexual intercourse or oral sexual contact with any person who is under 18 years of age.

Current law classifies sexual conduct with a minor of at least 15 years of age as a class 6 felony. If the sexual conduct occurred between a minor and an adult in a position of trust, then the offense is classified as a class 2 felony. Sexual conduct with a minor under the age of 15 is classified as a class 2 felony (<u>A.R.S.</u> § 13-1405).

- 1. Raises the felony classification for sexual conduct with a minor of at least 15 years of age from class 6 to class 4. (Sec. 1)
- 2. Mandates one year of jail time for a person convicted of sexual conduct with a minor of at least 15 years of age if the convicted person is placed on probation. (Sec. 1)

☐ Prop 105 (45 votes)	☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	☐ Fiscal Note	



Fifty-sixth Legislature First Regular Session

House: JUD 5-3-0-0

HB 2212: criminal damage; trespassing; critical facilities Sponsor: Representative Griffin, LD 19 Caucus & COW

Overview

Creates criminal liability and sentencing classifications for aggravated criminal damage if a person interferes or prevents the performance of a normal function of utility infrastructure or property or the intended course or path of any utility service. Reclassifies sentencing provisions and makes various other changes relating to criminal trespass on or damage to utility property or other public service facilities.

History

Current statutes on criminal trespass and damage include specialized provisions for cases involving certain public service facilities, such as utilities.

A person can commit criminal trespass in the first degree by entering or remaining unlawfully on a critical public service facility, which is a class 5 felony (A.R.S. § 13-1504). A critical public service facility is defined in statute for purposes of this offense (A.R.S. § 13-1501).

A person can commit criminal damage in two ways pertaining to utilities:

- 1) Recklessly damaging property of a utility, which is a class 4 felony if the damage amounts to \$5,000 or more; and
- 2) Intentionally tampering with utility property, which is also a class 4 felony if the damage causes an imminent safety hazard to any person (A.R.S. § 13-1602).

Current statute includes these offenses as bases for an armed nuclear security guard to use physical force against or detain a person at a commercial nuclear generating station under certain circumstances (A.R.S. §§ 13-4903 and 13-4904).

A person can commit aggravated criminal damage by intentionally or recklessly defacing, damaging or tampering with any utility infrastructure or property, construction site or existing structure for the purpose of obtaining nonferrous metals. This offense is classified as follows:

- 1) A class 3 felony if the person causes \$10,000 or more in damages to the property;
- 2) A class 4 felony if the person causes \$1,500 or more but less than \$10,000 in damages to the property; and
- 3) A class 5 felony in all other cases.

The following variables must be considered in determining the amount of damages to property:

- 1) The cost of repair or replacement of the property that was damaged;
- The cost of the loss of crops and livestock;
- 3) Reasonable labor costs of any kind;
- 4) Reasonable material costs of any kind; and
- 5) Reasonable costs that are attributed to equipment that is used to abate or repair the damage to the property (A.R.S. § 13-1604).

The terms damaging, defacing, tampering with utility property and utility are all defined in statute for purposes of criminal damage and aggravated criminal damage (A.R.S. § 13-1601).

- 1. Increases the felony classification from class 5 to class 4 for criminal trespass in or on a critical public service facility. (Sec. 1)
- 2. Raises the felony classification from class 4 to class 3 for criminal damage in the form of intentionally tampering with utility property if the damage causes an imminent safety hazard. (Sec. 2)
- 3. Imposes criminal liability for aggravated criminal damage if a person interferes with or prevents the performance of a normal function of utility infrastructure or property or the intended course or path of any utility service and classifies the offense as follows:
 - a. A class 2 felony if the person causes \$10,000 or more in damages to the property;
 - b. A class 3 felony if the person causes \$1,500 or more but less than \$10,000 in damages to the property; and
 - c. A class 4 felony in all other cases. (Sec. 3)
- 4. Raises the felony classifications for aggravated criminal damage in the form of defacing, damaging or tampering with a utility or agricultural infrastructure or property, construction site or existing structure for the purpose of obtaining nonferrous metals as follows:
 - a. From class 3 to class 2 if the person causes \$10,000 or more in damages to the property;
 - b. From class 4 to class 3 if the person causes \$1,500 or more but less than \$10,000 in damages to the property; and
 - c. From class 5 to class 4 in all other cases. (Sec. 3)
- 5. Includes the cost of the loss of the utility service among other variables that must be considered in determining the amount of damage to property for purposes of aggravated criminal damage. (Sec. 3)
- 6. Makes technical and conforming changes. (Sec. 2, 3, 4, 5)

☐ Prop 105 (45 votes)	☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	☐ Fiscal Note	
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Fifty-sixth Legislature First Regular Session

House: JUD DPA/SE 4-3-0-1-0-0

HB 2296: probationers; prisoners; search; seizure authority S/E: probationers; search; seizure authority Sponsor: Representative Carter, LD 15 Caucus & COW

<u>Overview</u>

Adds conditions that must be met for a peace officer to conduct a warrantless search of a probationer pursuant to a felony probation condition requiring warrantless searches.

History

Current law authorizes a court to suspend a convicted person's sentence and place the person on a period of probation if the convicted person is eligible (A.R.S. §§ <u>13-901</u>, <u>13-902</u>). A court must place the person on probation subject to whatever terms and conditions the court deems appropriate, in addition to any other terms and conditions required by statute.

During a person's term of probation, a court has discretion to issue a warrant for the probationer's rearrest and modify or add to the existing probation conditions. Similarly, any probation officer is authorized to rearrest a probationer and bring the person before the court at any time during the probation period, even without a warrant or other process. If a probationer commits an additional offense or violates a probation condition, a court may revoke probation prior to the expiration or termination of the probation period. Conversely, a court is authorized to terminate probation early in certain circumstances, subject to certain notice and hearing requirements (A.R.S. § 13-901).

- 1. Requires that the following conditions must be met for a peace officer to conduct a warrantless search of a felony probationer pursuant to a condition of probation that requires warrantless searches:
 - a. The probationer is stopped by a peace officer for a civil traffic or criminal violation;
 - b. The peace officer either receives authorization from the probationer's assigned probation officer or unsuccessfully attempts to make contact with the probationer's assigned probation officer; and
 - c. The warrantless search is limited to the probationer's person and motor vehicle. (Sec. 1)
- 2. Makes technical changes. (Sec. 1)

☐ Prop 105 (45 votes)	☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	☐ Fiscal Note	



Fifty-sixth Legislature First Regular Session

House: JUD DP 5-3-0-0-0

HB 2297: fraudulent schemes; artifices; jurisdiction Sponsor: Representative Carter, LD 15 Caucus & COW

Overview

Clarifies that not all of the acts necessary for a person to be prosecuted for fraudulent schemes and artifices need to have occurred within Arizona or a single political subdivision of Arizona.

History

Fraudulent schemes and artifices, a class 2 felony, involves a person who, pursuant to a scheme or artifice to defraud, knowingly obtains any benefit by means of false or fraudulent pretenses, representations, promises or material omissions. In order to prove the offense, the prosecution need not show reliance on the part of any person (A.R.S. § 13-2310).

While the current statute only requires a showing that the defendant knowingly obtained a benefit by means of false pretenses, etc., the Arizona Supreme Court has held that the prosecution must "prove that the scheme or artifice was intended to defraud[,]" thus requiring that, "in those cases in which the defendant is the one who devised the scheme, the state must prove that the defendant devised the scheme with the intent to defraud." *State v. Bridgeforth*, 156 Ariz. 60, 64 (1988).

The terms *benefit* and *knowingly* are defined in statute (<u>A.R.S. § 13-105</u>). "[A] 'scheme' is a 'plan,' while an 'artifice' is an 'evil or artful strategy.' Thus, a 'scheme or artifice' is some 'plan, device, or trick' to perpetrate a fraud." *Ness v. Western Sec. Life Ins. Co.*, 174 Ariz. 497, 503 (App. 1992) (citing *State v. Haas*, 138 Ariz. 413 (1983)). *Scheme or artifice to defraud* includes a scheme or artifice to deprive a person of the intangible right of honest services (A.R.S. § 13-2310).

If the offense involved a benefit of \$100,000 or more or the manufacture, sale or marketing of opioids, the defendant is not eligible for suspension of sentence, probation, pardon or release from prison, except in specific circumstances such as work release or compassionate leave, until the sentence has been served, the defendant is eligible for community supervision or the sentence has been commuted. The state is required to aggregate in the charging document the amounts taken in thefts committed pursuant to one scheme or course of conduct, whether the amounts were taken from one or several persons (A.R.S. §§ 13-2310, 13-1801).

- 1. Stipulates that, in a prosecution for fraudulent schemes and artifices:
 - a. The state is not required to establish that all of the acts constituting the offense occurred within Arizona or a single political subdivision of Arizona; and
 - b. It is not a defense that not all of the acts constituting the offense occurred within Arizona or a single political subdivision of Arizona. (Sec. 1)
- 2. Makes technical and conforming changes. (Sec. 1)

☐ Prop 105 (45 votes)	☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	☐ Fiscal Note



Fifty-sixth Legislature First Regular Session

House: JUD DP 5-3-0-0-0

HB 2394: firearms; sovereign authority Sponsor: Representative Smith, LD 29 Caucus & COW

Overview

Clarifies the scope of federal measures regulating firearms that the state may not use resources to enforce if they are inconsistent with Arizona law.

History

The Arizona Constitution permits the state to exercise its sovereign authority to restrict the use of state personnel and resources to purposes consistent with the Constitution, including through legislation or any other available legal remedy. If the state exercises this authority, the state and its political subdivisions are prohibited from using any personnel or resources to enforce, administer or cooperate with the designated federal action or program (Ariz. Const. art. 2, § 3).

Pursuant to this authority, <u>Laws 2021, Chapter 182, § 1</u>, entitled the *2nd Amendment Firearm Freedom Act*, prohibits this state or its subdivisions from using personnel or resources to enforce, administer or cooperate with any act, law, treaty, order, rule or regulation of the federal government that is inconsistent with Arizona law regarding firearm regulation (<u>A.R.S. § 1-272</u>).

1.	Clarifies that federal firearm measures that may not be enforced if inconsistent with Arizona law include
	any tax, levy, fee or stamp imposed on firearms, firearm accessories or ammunition not common to all
	other goods and services and that might reasonably be expected to create a chilling effect on the
	purchase or ownership of those items by law-abiding citizens.

☐ Prop 105 (45 votes)	☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	☐ Fiscal Note



Fifty-sixth Legislature First Regular Session

House: JUD 5-2-1-0

HB 2427: domestic violence; pregnant victim; sentencing Sponsor: Representative Gress, LD 4
Caucus & COW

Overview

Imposes criminal liability for aggravated assault if the person commits assault knowing or having reason to know that the victim is pregnant and the assault constitutes a domestic violence offense. Makes changes to sentencing provisions for domestic violence offenses against pregnant victims.

<u>History</u>

A person is criminally liable for assault if the person:

- Intentionally, knowingly or recklessly causes physical injury to another person, which is a class 1 misdemeanor if committed intentionally or knowingly and a class 2 misdemeanor if committed recklessly;
- 2) Intentionally places another person in reasonable apprehension of imminent physical injury, which is a class 2 misdemeanor; or
- 3) Knowingly touches another person with the intent to injure, insult or provoke the person, which is a class 3 misdemeanor (A.R.S. § 13-1203).

A person commits aggravated assault by committing assault under one of many distinguishing circumstances. For example, a person commits aggravated assault by committing assault using a deadly weapon, or while the victim is bound or physically restrained. An assault can also become aggravated assault if perpetrated against a certain type of professional, such as a peace officer, firefighter or health care worker. Aggravated assault can range from a class 2 felony to a class 5 felony depending on the circumstances (A.R.S. § 13-1204).

Numerous offenses, including aggravated assault, can constitute domestic violence if one of many circumstances exist. For example, aggravated assault can constitute domestic violence if the victim and the defendant are married or have a child in common. An offense that is included in domestic violence generally carries the same sentencing classification prescribed in the original statutory section classifying the offense. However, if a person is convicted of a domestic violence offense knowing the victim was pregnant at the time of the offense, the court is required to take this into account and is permitted to increase the sentence. If a person commits a felony domestic violence offense or other felony offense causing physical injury knowing that the victim is pregnant, the maximum sentence otherwise allowed for the offense is increased by up to two years (A.R.S. § 13-3601).

- Makes a person criminally liable for aggravated assault if the person commits the assault knowing or having reason to know that the victim is pregnant and the assault meets any of the statutory criteria for domestic violence and classifies the offense as a class 3 felony. (Sec. 1)
- 2. Requires, rather than permits, a court to increase a sentence for a person convicted of an offense involving domestic violence against a pregnant victim. (Sec. 2)
- 3. Increases from two to five years the amount of time that the maximum sentence can be increased for a person convicted of a felony domestic violence offense against a pregnant victim or a felony offense causing physical injury to a pregnant victim. (Sec. 2)

☐ Prop 105 (45 votes)	☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	☐ Fiscal Note	
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Fifty-sixth Legislature First Regular Session

House: JUD DP 5-3-0-0-0

HB 2502: child support; date of pregnancy Sponsor: Representative Gress, LD 4 Caucus & COW

Overview

Adds the date of a positive pregnancy test confirmed by a licensed health care professional as a permissible date to which a court may direct past child support payments if that date was earlier than the original date of filing a dissolution of marriage, legal separation, maintenance or child support proceeding.

History

A court is authorized to order either or both parents owing a duty of support to a child to pay an amount reasonable and necessary to support the child in a proceeding for dissolution of marriage, legal separation, maintenance or child support, regardless of marital misconduct. Statute requires the Arizona Supreme Court to establish guidelines for determining the proper amount of child support (Guidelines) and review them at least once every four years.

If child support has not been previously ordered and a court deems child support appropriate, statute requires the court to retroactively apply the Guidelines to the date of filing a dissolution of marriage, legal separation, maintenance or child support proceeding and direct the parents to pay for the past support of the child and the manner in which payment must be paid (A.R.S. § 25-320).

- 1. Allows a court to consider the date of a positive pregnancy test confirmed by a licensed health care professional as an acceptable date to which the court may retroactively apply the Guidelines to direct past support payments if that date occurred prior to the original date of filing a dissolution of marriage, legal separation, maintenance or child support proceeding. (Sec. 1, 2)
- 2. Makes technical and conforming changes. (Sec. 1, 2)

☐ Prop 105 (45 votes)	☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	☐ Fiscal Note	



Fifty-sixth Legislature First Regular Session

House: JUD DP 8-0-0-0-0

HB 2516: child abuse; investigations; forensic interview Sponsor: Representative Parker B, LD 10 Caucus & COW

Overview

Adds a forensic interview as an alternative examination method for a child taken into temporary custody due to exigent circumstances involving sexual abuse or serious physical injury.

History

Current law allows a child to be taken into temporary custody pursuant to a court order or the consent of the child's parent or guardian. In some cases, however, a peace officer, child welfare investigator or child safety worker may take a child into temporary custody without a court order if it is clearly necessary to protect the child because exigent circumstances exist. *Exigent circumstances* exist if there is probable cause to believe that the child is likely to suffer serious harm in the time it would take to obtain a court order for removal and either of the following is true:

- 1) There is no less intrusive alternative to taking temporary custody of the child that would reasonably and sufficiently protect the child's health or safety; or
- Probable cause exists to believe that the child is a victim of sexual abuse or abuse involving serious physical injury that can be diagnosed only by an appropriately licensed physician or health care provider.

A person who takes a child into custody due to exigent circumstances involving sexual abuse or serious physical injury must immediately have the child examined by an appropriately licensed physician or health care provider. Unless the examination reveals abuse, the person must release the child into the custody of the parent or guardian (A.R.S. § 8-821).

Statute also creates a duty for certain persons who have responsibility for the care or treatment of a minor, such as certain family members, medical professionals or school personnel, who reasonably believe that the minor has been the victim of non-accidental physical injury, abuse, child abuse, a reportable offense or neglect to immediately report this information to applicable authorities. A *reportable offense* includes, among other offenses, violation of A.R.S. § 13-3506.01, which criminalizes sending harmful items to minors by electronic means (A.R.S. § 13-3620).

- 1. Authorizes a person who takes temporary custody of a child due to exigent circumstances involving sexual abuse or serious physical injury to immediately have the child forensically interviewed by a person who is appropriately trained pursuant to statutory protocols, as an alternative to a medical examination. (Sec. 1, 2)
- 2. Changes the definition of a *reportable offense* by replacing <u>A.R.S. § 13-3506.01</u>, which criminalizes providing harmful items to minors by electronic means, with <u>A.R.S. § 13-3506</u>, which criminalizes providing harmful items to minors by non-electronic means. (Sec. 2)
- 3. Makes conforming changes. (Sec. 1, 2)

□ Prop 105 (45 votes) □ Prop 108 (40 votes) □ Emergency (40 votes) ☒ Fiscal Note				
	☐ Prop 105 (45 votes)	☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	⊠ Fiscal Note



Fifty-sixth Legislature First Regular Session

House: LARA DP 8-0-1-0

HB 2375: state land transfer; Bullhead City Sponsor: Representative Biasiucci, LD 30 Caucus & COW

Overview

Transfers about 9.95 acres of state sovereign land from the State Land Department to Bullhead City.

<u> History</u>

State sovereign land is land owned by the State that is separate and distinct from the trust lands granted to the State at statehood. For that reason, the trust obligations contained in the Enabling Act and Constitution of Arizona are not binding on how state sovereign lands are managed. However, the State Land Department is still responsible for administering these lands (A.R.S. §§ 37-101 and 37-102). Most state sovereign lands are located on the bed of the Colorado River and are tied to the fact that this river was navigable at the time Arizona became a state. These lands are managed under the public trust doctrine, which means that they can only be used for a public purpose. Additionally, state sovereign lands cannot be sold or leased, but may be transferred to other political subdivisions for public use with legislative authorization. The Legislature has previously considered and approved some transfers of these lands to state agencies, counties and municipalities. For example:

- <u>Laws 1988, Chapter 75</u> transferred state sovereign land to the Arizona Game and Fish Department for wildlife and public recreation purposes;
- <u>Laws 1990, Chapter 104</u> transferred state sovereign land to Mohave County for public park and recreation purposes;
- <u>Laws 2005, Chapter 99</u> transferred about 28.6 acres of state sovereign land to the Arizona Game and Fish Department to be managed in consultation with the Maricopa County Flood Control District, the Town of Buckeye, and City of Goodyear;
- HB2728 (2006) authorized the State Land Commissioner to sell or convey title to over 5 acres of state sovereign land to a nonprofit cemetery in Skull Valley if certain terms and conditions were met. This bill was held in the Senate; and
- <u>Laws 2019, Chapter 146</u> transferred over 12 acres of state sovereign land to Bullhead City for public recreation and access to the Colorado River.

- 1. Transfers about 9.95 acres of state sovereign land from the State Land Department to Bullhead City. (Sec. 1)
- 2. Directs the State Land Commissioner to deliver a signed and recorded deed or patent to Bullhead City within 10 days of this act's effective date. (Sec. 1)
- 3. Requires Bullhead City of manage the transferred land for park and public recreation purposes, and forbids the land from being sold, exchanged or bartered. (Sec. 1)

☐ Prop 105 (45 votes)	☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	☐ Fiscal Note	



Fifty-sixth Legislature First Regular Session

House: LARA DPA 9-0-0-0

HB 2505: outdoor recreation coordinating commission; continuation Sponsor: Representative Diaz, LD 19 Caucus & COW

Overview

Continues the Arizona Outdoor Recreation Coordinating Commission for 6 years.

<u>History</u>

The Arizona Outdoor Recreation Coordinating Commission (AORCC) consists of five gubernatorial appointees who serve three-year terms. The Directors of the Arizona Game and Fish Department and Arizona State Parks Board serve as ex-officio members. AORCC:

- 1) Reviews and provides comments to the State Parks Board on the statewide outdoor recreation and lake improvement plans;
- 2) Reviews and provides recommendations to the Arizona State Parks Board on budget proposals to use Land and Water Conservation Fund surcharges and State Lake Improvement Fund for planning and administration; and
- 3) Sets criteria and policies to distribute funding, review applications and determine the amount of funding for projects funded from the Land and Water Conservation Fund, State Lake Improvement Fund and Off-Highway Vehicle Recreation Fund (A.R.S. § 41-511.25).

AORCC will terminate on July 1, 2023 (<u>A.R.S. § 41-3023.16</u>). At its <u>January 19, 2023 meeting</u>, the Senate Natural Resources, Energy & Water and House Land, Agriculture & Rural Affairs Joint Committee of Reference recommended that AORCC be continued for 8 years and that this agency report land acquisition data to this committee every four years.

Provisions

- 1. Continues, retroactive to July 1, 2023, AORCC until July 1, 2029. (Sec. 1, 2 and 4)
- 2. Repeals AORCC on January 1, 2030. (Sec. 2)
- 3. Contains a purpose statement. (Sec. 3)

Amendments

Committee on Land, Agriculture & Rural Affairs

- 1. Extends AORCC's termination date to July 1, 2031 and the repeal date for AORCC's statute to January 1, 2032.
- 2. Makes conforming changes.

☐ Prop 105 (45 votes)	☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	☐ Fiscal Note	



Fifty-sixth Legislature First Regular Session

House: LARA DPA 9-0-0-0

HB2506: Arizona state parks board; continuation Sponsor: Representative Diaz, LD 19 Caucus & COW

Overview

Continues the Arizona State Parks Board (ASPB) for six years.

History

ASPB was created in 1957 to establish and maintain areas of natural features, scenic beauty, historical and scientific interest and zoos and botanical gardens for the state of Arizona (A.R.S. § 41-511.03 and Laws 1957, Chapter 99). It is comprised of the State Land Commissioner and six members appointed by the governor to six-year terms. Of these six members, one must be a representative of the livestock industry, one must be professionally involved in general recreation work and one must be professionally involved in the tourism industry (A.R.S. § 41-511). The governor also appoints a full-time director and a state historic preservation officer (A.R.S. § 41-511.02). ASPB board members serve without compensation (A.R.S. § 41-511.01).

ASPB's responsibilities include:

- 1) Selecting areas for state parks and national monuments;
- 2) Managing and operating 33 state parks as well as other monuments and trails;
- 3) Coordinating and administering the State Historic Preservation Program;
- 4) Administering the Arizona Register of Historic Places;
- 5) Administering a parks and recreation program;
- 6) Receiving applications for projects to be funded through the Land and Water Conservation Fund and the State Lake Improvement Fund and providing staff support to the Arizona Outdoor Recreation Coordinating Commission as it reviews these applications;
- 7) Maintaining an off-highway vehicle recreation plan; and
- 8) Collaborating with the State Forester on forest management and wildfire issues (A.R.S. § 41-511.04).

The agency also provides an annual report to the governor detailing finances, goals and accomplishments during the preceding fiscal year (<u>A.R.S. § 41-511.12</u>). In FY 2023, ASPB has an operating budget of \$15 million.

ASPB will terminate on July 1, 2023 (<u>A.R.S. § 41-3023.06</u>). At its <u>January 19, 2023 meeting</u>, the House Land, Agriculture & Rural Affairs and the Senate Natural Resources, Energy & Water joint committee of reference recommended that ASPB be continued for eight years.

Provisions

- 1. Continues, retroactive to July 1, 2023, ASBP until July 1, 2029. (Sec. 1, 2 and 4)
- 2. Repeals ASPB on January 1, 2030. (Sec. 2)
- 3. Contains a purpose statement. (Sec. 3)

Amendments

Committee on Land, Agriculture & Rural Affairs

☐ Prop 105 (45 votes)	☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	☐ Fiscal Note

- Extends ASPB's termination date to July 1, 2031 and the repeal date for the ASPB's statutes to January 1, 2032.
 Makes conforming changes.



Fifty-sixth Legislature First Regular Session

House: LARA DP 5-4-0-0

HCM2002: federal lands; housing shortage Sponsor: Representative Griffin, LD 19 Caucus & COW

Overview

Requests that Congress enact legislation to allow the Secretary of the Interior to sell public lands to state and local governments and that the Secretary of the Interior implement a process for applicants to nominate public lands for purchase.

History

Federal Land Policy and Management Act of 1976

The Federal Land Policy and Management Act of 1976 governs how federal lands are administered under the U.S. Bureau of Land Management (<u>Public Law 94-579</u>). This act allows public land to be sold if the Secretary of Interior determines that the tract of land meets any of the following criteria:

- 1) The tract is difficult and prohibitively expensive to manage and unsuitable for management by another department or agency;
- 2) The tract is no longer required for the federal purpose for which it was originally acquired; or
- 3) Selling the tract will serve important public objectives that cannot be achieved on non-public lands and that outweigh other public objectives and values which would otherwise be served by maintaining this tract in federal ownership (43 U.S.C. § 1713).

Public lands are generally sold through competitive bid at a public auction. However, the Secretary of Interior may adopt a modified competitive bidding process where some preferences of adjoining landowners are recognized or directly sell the land to a party when circumstances warrant. In any case, public lands cannot be sold for less than their fair market value (U.S.C. § 43-1713).

Helping Open Underutilized Space to Ensure Shelter Act

The Helping Open Underutilized Space to Ensure Shelter (HOUSES) Act was introduced as <u>Senate Bill 4062</u>. It amends the Federal Land Policy and Management Act of 1976 to allow certain public land to be sold to states and local governments for housing developments. The bill includes a process by which a state or local government can request the sale of public lands within its boundaries for eligible projects in which:

- 1) At least 85 percent of the land will be used for residential development;
- 2) Each acre of land will provide for at least four residences;
- 3) No single residence will be located on over half an acre; and
- 4) No more than 15 percent of the land will be used for commercial purposes.

The public land requested cannot include any federally protected land such as national parks, national recreation areas, national preserves and national historic sites. A submitted proposal must include a map of the lands nominated and a description the eligible project. If approved for sale by the Secretary of the Interior, the sale price is set based on a formula that considers the tract's fair market value, payments in lieu of taxes that would otherwise be made for the tract, and the estimated amount of tax revenue that would have been due for the tract's sale. The Secretary of Interior cannot convey this land without approval from the governor and enactment of any regulatory provisions needed for the eligible project by the state or local government.

The bill received a hearing in the Senate Energy and Natural Resources Subcommittee on Public Lands, Forests, and Mining but did not progress further during the 2022 Legislative session.

- 1. States that the Arizona House of Representatives urges:
 - a. Congress to enact the Helping Open Underutilized Space to Ensure Shelter Act, or similar legislation, to allow the Secretary of the Interior to sell federal parcels of land to state and local governments; and
 - b. Secretary of the Interior to implement a process for applicants to nominate federal lands for purchase immediately upon the passage of such legislation.
- 2. Directs the Arizona Secretary of State to transmit the memorial to the Secretary of the Interior, the President of the United States Senate, the Speaker of the United States House of Representatives and each member of Congress from the State of Arizona.

☐ Prop 105 (45 votes) ☐ Prop 108 (40 votes) ☐	☐ Emergency (40 votes)	☐ Fiscal Note



Fifty-sixth Legislature First Regular Session

House: LARA DP 5-4-0-0

HCM2004: urging Congress; national forest health Sponsor: Representative Griffin, LD 19 Caucus & COW

Overview

Requests that Congress enact legislation to support multiple-use forest management policies to improve the nation's forest health.

History

Multiple Use and Sustained Yield in National Forests

President Theodore Roosevelt gave the Department of Agriculture's U.S. Forest Service responsibility for managing forest reserves, and later national forests, in 1905. The management of these forests' renewable resources has been the subject of frequent legislation:

- 1) The Multiple Use Sustained-Yield Act of 1960 authorized the Secretary of Agriculture to develop the renewable surface resources of the nation's 154 national forests for multiple use and sustained yield of the products and services obtained from them (<u>Public Law 86-517</u>). This provision was intended to ensure these resources are used in a manner that best meets the needs of the American people and allows for a high level of output;
- 2) The Forest and Rangeland Renewable Resources Planning Act of 1974 directed the Secretary of Agriculture to prepare a renewable resource assessment that enabled long-term planning of renewable resources in national forests, discussed opportunities for improving the yield of tangible and intangible goods and services from these resources, and reviewed programs, laws and policies that influence the management of forest lands. The Secretary of Agriculture was also required to develop a Renewable Resource Program based on the principles of multiple use and sustained yield (Public Law 93-378);
- 3) The National Forest Management Act of 1976 required that any land and resource management plans for national forest units be developed in accordance with the principles of multiple use and sustained yield. It also generally limited timber sales from each national forest to the amount of timber that could be removed annually on a sustained yield basis (Public Law 94-588).

There are six national forests comprising about 40 percent of total forest lands in Arizona: Apache-Sitgreaves, Coconino, Coronado, Kaibab, Prescott and Tonto.

Hazards to National Forests

According to the U.S. Forest Service, outbreaks of bark beetles have increased pine tree mortality in the Coconino National Forest and other locations in Arizona where the beetles can infest drought-afflicted low vigor trees and spread quickly in densely forested areas. Foliar disease that causes a loss of leaves and reduction in overall growth is also common in aspen, Arizona sycamore, cottonwood and willow trees. For example, in 1999, mortality reduced gross tree growth in Arizona's forests by almost 20 percent.

In 2020, over 2,500 wildfires burned nearly 980,000 acres of state, federal and tribal land in Arizona. The U.S. Forest Service has cited past fire exclusion, accumulating fuels, prolonged drought and expanding development as contributors to the growing size and severity of wildfires in western states. Of the U.S. Forest Service's \$7.4 billion budget in FY 2021, \$3.9 billion was allocated to wildland fire management and wildfire adjustment (Congressional Research Service).

1.	States that the Arizona House of Representatives urges Congress to enact legislation that supports multiple-use forest management policies that will improve the nation's forest health.
2.	Directs the Arizona Secretary of State to transmit the memorial to the President of the United States, the President of the United States Senate, the Speaker of the United States House of Representatives and each member of Congress from the state of Arizona
	and each member of Congress from the state of Arizona.
	□ Prop 105 (45 votes) □ Prop 108 (40 votes) □ Emergency (40 votes) □ Fiscal Note



Fifty-sixth Legislature First Regular Session

House: LARA DP 9-0-0-0

HCM2005: hunting; angling; wildlife conservation Sponsor: Representative Griffin, LD 19 Caucus & COW

Overview

Requests that Congress respect hunting and angling and the wildlife conservation efforts of the Arizona Game and Fish Commission and Arizona Game and Fish Department.

History

The Arizona Game and Fish Commission was established in 1929 to create policies and rules for managing, preserving and harvesting wildlife in Arizona (Laws 1929, Chapter 84). In this capacity, it built upon the roles and responsibilities of the Territorial Commissioners of Fisheries and the State Game Warden (Territorial Laws 1881, Chapter 66 and Laws 1912, 1st Special Session, Chapter 82). In 1958, the Legislature overhauled statute and created the Arizona Game and Fish Department to administer state wildlife laws, rules and policies at the direction of the Arizona Game and Fish Commission (Laws 1958, Chapter 80).

The Arizona Game and Fish Commission consists of five members who are appointed by the governor to five-year terms (A.R.S. § 17-201). It appoints the Director of the Arizona Game and Fish Department and oversees the department's activities (A.R.S. § 17-211). It has several responsibilities related to wildlife and outdoor recreation including:

- 1) Establishing policies and rules for managing, preserving and harvesting wildlife in Arizona (<u>A.R.S.</u> § 17-301 et seq.);
- 2) Regulating the sale, import, export and possession of wildlife (A.R.S. §§ $\underline{17-306}$, $\underline{17-307}$, $\underline{17-318}$ and $\underline{17-371}$);
- 3) Maintaining facilities that preserve and propagate wildlife such as fish hatcheries (A.R.S. § 17-231);
- 4) Regulating watercraft, which includes registering watercraft, prescribing equipment requirements and administering the law enforcement and boating safety program (A.R.S. § 5-311 et seq.);
- 5) Supervising public shooting ranges (A.R.S. § 17-231 and 17-601 et seq.); and
- 6) Assisting in recovery efforts for endangered species such as the Mexican gray wolf (A.R.S. § 17-253).

- 1. Requests that Congress respect the historic and current use of Arizona's recreational areas by sportsmen and sportswomen for hunting and angling and respect the administration of wildlife conservation by the Arizona Game and Fish Department and Arizona Game and Fish Commission.
- 2. Directs the Secretary of State to transmit copies of this memorial to the President of the U.S. Senate, Speaker of the U.S. House of Representatives and each member of Arizona's congressional delegation.

☐ Prop 105 (45 votes) ☐ Prop 108 (40 vo	otes) Emergency (40 votes) Fiscal I	Note



Fifty-sixth Legislature First Regular Session

House: LARA DP 8-1-0-0

HR2002: securing America's lands; foreign interference Sponsor: Representative Griffin, LD 19 Caucus & COW

Overview

States that the Legislature supports action in Congress to prohibit the of the sale of United States land to foreign investors.

History

Foreign Ownership of Private Agricultural Lands

The Agricultural Foreign Investment Disclosure Act of 1978 requires all foreign persons to submit a report to the Secretary of Agriculture within 90 days of acquiring or transferring any interest (except for a security interest) in agricultural land. The report must include information about the foreign person involved in the transaction, the type of interest in the agricultural land acquired or transferred, a description of the land, future agricultural plans for the land and the purchase price (7 U.S.C. § 3501). These reports are transmitted to the appropriate state departments of agriculture (7 U.S.C. § 3505). Those who fail to submit an accurate report are subject to a civil penalty of up to 25 percent of the fair market value of the interest in the agricultural land involved in the violation (7 U.S.C. § 3502).

According to the latest report on <u>Foreign Holdings of U.S. Agricultural Land</u>, foreign persons held an interest in about 40 million acres (or 3.1%) of all privately owned U.S. agricultural lands as of December 31, 2021. In Arizona, 295,876 acres (or 3.8%) of all privately owned agricultural land are held by foreign persons.

Securing America's Land from Foreign Interference Act

The Securing America's Land from Foreign Interference Act was introduced in the United States House of Representatives as <u>H.R. 3487 in 2021</u>. The bill directs the President of the United States to take all necessary actions to prohibit the purchase of public and private real estate in the United States by members of the Chinese Communist Party.

This act was reintroduced as <u>S. 4704 in 2022</u>. In addition to requiring the President to prohibit the purchase of real estate by members of the Chinese Communist Party, this bill also prohibits foreign persons acting on the behalf of the Chinese Communist Party from completing land transactions in the United States. The bill also amends the Agricultural Foreign Investment Disclosure Act of 1978 by establishing a minimum civil penalty for failing to comply with the act's reporting requirements through misrepresenting personal information and/or information about the land being purchased. This minimum penalty is 10 percent of the interest in the agricultural land involved in the violation.

Neither H.R. 3487 nor S. 4703 made it out of committee during the congressional session.

- States that the Legislature supports the congressional enactment of the Securing America's Land from Foreign Interference Act, or similar legislation, to prohibit the sale of United States land to foreign investors. (Sec. 1)
- 2. Directs the Arizona Secretary of State to transmit copies of this resolution to the President of the United States, the President of the United States Senate, the Speaker of the United States House of Representatives and each member of Congress from the State of Arizona. (Sec. 1)

☐ Prop 105 (45 votes)	☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	☐ Fiscal Note



Fifty-sixth Legislature First Regular Session

House: MAPS DP 14-1-0-0

HB 2002: DOC officers; personnel system; covered Sponsor: Representative Cook, LD 7 Caucus & COW

Overview

Adds specified employees of the Department of Corrections (DOC) to covered service.

History

Employees of the state of Arizona are employed under either covered or uncovered service. Unless otherwise prescribed, employees are under uncovered service. Uncovered employees are at-will employees and may be disciplined or terminated without cause and for any reason not prohibited by law. Covered employees may be disciplined or terminated only for cause, and they have a right to appeal disciplinary actions taken against them (A.R.S. Title 41, Chapter 4; AAC Title 2, Chapter 5).

Current statute lists the following DOC employee positions as covered service:

- 1) correctional officers I;
- 2) correctional officers II;
- 3) correctional officers III; and
- 4) community corrections officers (A.R.S. § 41-742).

- 1. Adds the following DOC employees to covered service:
 - a. correctional captains;
 - b. correctional lieutenants;
 - c. correctional sergeants;
 - d. correctional corporal;
 - e. correctional officers IV:
 - f. community corrections unit supervisor; and
 - g. community corrections group supervisor. (Sec. 1, 2, 3)
- 2. Specifies that all positions listed as covered will be in the covered service on the effective date of this legislation. (Sec. 2)
- 3. Makes technical changes. (Sec. 1, 2, 3)

☐ Prop 105 (45 votes)	☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	☐ Fiscal Note	



Fifty-sixth Legislature First Regular Session

House: MAPS DP 15-0-0-0

HB2089: military veterans; surviving spouses; scholarships Sponsor: Representative Payne, LD 27 Caucus & COW

Overview

Includes that the surviving spouse of a veteran who has not remarried is eligible for a scholarship from the Spouses of Military Veterans Tuition Scholarship Fund (Scholarship).

History

Under current law the Scholarship, administered by the Arizona Board of Regents (ABOR), is awarded to the spouse of an honorably discharged veteran. ABOR awards the Scholarship, on a first-come first-serve basis, in an amount equal to the tuition and mandatory fees charged by the university or community college which the spouse is enrolled in (A.R.S. § 15-809).

- 1. Broadens the Scholarship to include the surviving spouse who has not remarried of an honorably discharged veteran is eligible to receive the Scholarship. (Sec. 1)
- 2. Makes a technical change. (Sec. 1)

☐ Prop 105 (45 votes)	☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	☐ Fiscal Note
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Fifty-sixth Legislature First Regular Session

House: MAPS DP 15-0-0-0

HB2090: emergency and military affairs; continuation Sponsor: Representative Payne, LD 27 Caucus & COW

Overview

Continues the Department of Emergency and Military Affairs (DEMA) and the State Emergency Council (SEC) for 8 years.

History

DEMA administers the Arizona National Guard and is responsible for preparing and coordinating emergency services with federal, state, county and tribal agencies to support individuals and properties that are affected. DEMA's responsibilities include the following: 1) develop and support emergency response plans and provide emergency training exercises for state and local entities; 2) manage various state and federal grants relating to emergency management; 3) work with state and local entities to provide operational support during emergencies; 4) support local governments with state and federal funding after emergencies; and 5) administer the Arizona National Guard (Report 22-114).

DEMA is directed by the State Adjutant General, who is appointed by the Governor and serves as the Governor's Military Advisor (A.R.S. § 26-102).

The SEC is composed of various members specified in statute. The SEC makes recommendations to the Governor and monitors each emergency event declared by the Governor (A.R.S. § 26-304). The SEC administers the use and distribution of up to \$4,000,000 from the state General Fund each fiscal year to state and local entities to recover from state-declared emergencies. The Governor is authorized by statute to approve up to \$200,000 for each emergency; the SEC must approve the expenditure of additional monies (A.R.S. § 35-192; Report 22-114).

On November 16, 2022, the House Military Affairs and Public Safety Committee of Reference and the Senate Judiciary Committee of Reference jointly met to conduct a review of DEMA and the SEC and recommended that DEMA and the SEC be continued for eight years.

- 1. Continues, retroactive to July 1, 2023, DEMA and the SEC until July 1, 2031 (Sec. 2, 4)
- 2. Repeals DEMA and the SEC on January 1, 2032. (Sec. 2)
- 3. Contains a purpose statement. (Sec. 3)
- 4. Makes a conforming change. (Sec. 2)



Fifty-sixth Legislature First Regular Session

House: MAPS DP 8-6-1-0

HB 2310: auditor general; law enforcement bonus Sponsor: Representative Jones, LD 17 Caucus & COW

Overview

Requires the Auditor General to perform a special audit of the counties to ensure that the \$48,310,000 distributed in FY 2023 to the counties, for the payment of line-level officers employed by the sheriffs' offices, are being used properly.

<u> History</u>

In 2022, the Fifty-fifth Legislature, Second Regular Session, passed <u>Laws 2022</u>, <u>Chapter 313 (general appropriations act; 2022-2023)</u> (Appropriations Act). The Appropriations Act, among other things, appropriates \$48,310,000 to the counties for the purposes of a \$10,000 onetime payment to line-level deputies and detention officers employed by each county sheriff's office as of May 1, 2022. The payments are to be distributed in equal quarterly installments over two years.

The Appropriations Act additionally requires each county sheriff to submit two reports to the Arizona Department of Administration (ADOA) on the actual use of the monies received and on staffing and retention. The first report is due on or before August 30, 2023 and the second on or before August 30, 2024. ADOA is thereafter directed to submit two reports, the first on or before September 30, 2023 and the second on or before September 30, 2024, to the Joint Legislative Budget Committee and the Governor's Office of Strategic Planning and Budgeting summarizing the individual county reports.

- 1. Instructs the Auditor General to perform a special audit of each county to examine and ensure that the monies distributed under the Appropriations Act, for payments to line-level deputies and detention officers employed by the county sheriffs' offices, are being used properly. (Sec. 1)
- 2. Directs the Auditor General to submit a report of the special audit on or before December 31, 2023. (Sec. 1)
- 3. Repeals statute relating to the special audit and report on October 1, 2024. (Sec. 1)

☐ Prop 105 (45 votes)	☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	☐ Fiscal Note	



Fifty-sixth Legislature First Regular Session

House: MAPS DP 8-7-0-0-0

HB2332: firearms safety; training; schools Sponsor: Representative Bliss, LD 1 Caucus & COW

Overview

Requires school districts and charter schools to provide one or more firearms safety training sessions.

History

Statute currently states that the Arizona Game and Fish Department may provide training in the safe handling and use of bows or firearms for schools that request this instruction (A.R.S. § 15-713). Statute further stipulates that any firearm or bow training may only be offered as an elective credit for students (A.R.S. § 15-714).

In addition to voluntary training in the use of bows and firearms, statute allows any school district or charter school to offer a one semester, one credit elective course in firearm marksmanship designated as the Arizona Gun Safety Program Course (A.R.S. § 15-714.01).

- 1. Requires school districts and charter schools to provide students in grades 6-12 with one or more firearms safety training sessions in an age-appropriate manner beginning July 1, 2024. (Sec. 1)
- 2. Outlines that the firearms safety training session must be based on a firearms accident prevention program that meets the following requirements:
 - a) Has been in operation for over 30 years;
 - b) Seeks to help parents, law enforcement, community groups and educators navigate firearm safety:
 - c) Was developed by a task force of specified individuals; and
 - d) Teaches simple and easy steps for individuals to remember when encountering a firearm. (Sec. 1)
- 3. Asserts that a teacher or administrator who facilitates or oversees the training sessions is not required to be a certified firearms safety instructor. (Sec. 1)
- 4. Specifies that a school district or charter school may, for the purpose of firearms safety training, use:
 - a. An active or retired police officer:
 - b. An instructor certified by a recognized national or state association; or
 - c. A teacher or faculty member certified by a recognized national or state association. (Sec. 1)
- 5. Prohibits training on firearm operation or qualification and on hunting education. (Sec. 1)
- 6. Directs the school district or charter school to notify the students' parents two weeks before training and to allow them to opt-out of the training. (Sec. 1)
- 7. Allows a student to be excused if either the parent requests it, or the student has a disability and is excused by the student's individualized education program team. (Sec. 1)
- 8. Permits a school district or charter school to accept donations of materials, equipment or services that may be used for training, except that working or live firearms may not be accepted. (Sec. 1)
- 9. Contains a legislative intent clause. (Sec. 2)

☐ Prop 105 (45 votes)	☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	☐ Fiscal Note



Fifty-sixth Legislature First Regular Session

House: MAPS DP 15-0-0-0

HB 2478: aggravated assault; law enforcement employees Sponsor: Representative Payne, LD 27 Caucus & COW

Overview

Broadens the list of aggravated assault victims to include an employee of a law enforcement agency engaged in official duties.

History

Assault occurs when a person causes physical injury to another person, a person touches another with the intent to injure or a person places another in imminent danger of physical injury (A.R.S. § 13-1203). For sentencing and classification purposes, some crimes have mitigating or aggravating circumstances that either increase or decrease the severity of the crime.

Aggravated assault occurs when someone commits an assault involving specific factors and circumstances. Knowingly assaulting a peace officer is an aggravating factor that constitutes a class 5 felony except that:

- 1) If the person causes serious physical injury or uses a deadly weapon, it is a class 2 felony;
- 2) If the person causes temporary but substantial disfigurement or impairment of an organ or a fracture, it is a class 3 felony; and
- 3) If the assault results in any physical injury, it is a class 4 felony (A.R.S. § 13-1204).

- 1. Expands the definition of aggravated assault to include a person knowingly assaulting an employee of a law enforcement agency while engaged in the execution of official duties. (Sec. 1)
- 2. Classifies knowing assault of an employee of a law enforcement agency as a class 5 felony except that:
 - a. If the person causes serious physical injury or uses a deadly weapon, it is a class 2 felony;
 - b. If the person causes temporary but substantial disfigurement or impairment of an organ or a fracture, it is a class 3 felony; and
 - c. If the assault results in any physical injury, it is a class 4 felony. (Sec. 1)

☐ Prop 105 (45 votes)	☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	☐ Fiscal Note	



Fifty-sixth Legislature First Regular Session

House: MAPS DP 15-0-0-0

HB 2479: law enforcement merit system; continuation Sponsor: Representative Payne, LD 27 Caucus & COW

Overview

Continues the Law Enforcement Merit System Council (LEMSC) for 8 years.

<u> History</u>

<u>LEMSC</u> is charged with adopting rules to govern the employment of personnel who hold covered positions within the Arizona Department of Public Safety (DPS) or the Arizona Peace Officer Standards and Training Board (AZPOST). LEMSC rules govern compensation, qualifications, selection, retention and other related employment matters for covered employees. LEMSC additionally conducts hearings of employee grievances and hears appeals in connection with employee suspension, demotion, dismissal, pay reduction and loss of leave time. LEMSC also sits to hear disciplinary appeals for other state agencies that employ AZPOST certified full-authority police officers who hold covered positions (<u>A.R.S. Title 41</u>, <u>Chapter 12</u>, <u>Article 10</u>).

LEMSC is composed of five members appointed by the Governor, with the consent of the Senate, to three-year terms. No more than three of LEMSC's members may be from the same political party (<u>A.R.S. § 41-1830.11</u>).

On November 16, 2022, the House Military Affairs and Public Safety Committee of Reference and the Senate Judiciary Committee of Reference jointly met to conduct a review of LEMSC and recommended that LEMSC be continued for eight years.

- 1. Continues, retroactive to July 1, 2023, LEMSC until July 1, 2031. (Sec. 2, 4)
- 2. Repeals LEMSC on January 1, 2032. (Sec. 2)
- 3. Contains a purpose statement. (Sec. 3)
- 4. Makes a conforming change. (Sec. 1)

☐ Prop 105 (45 votes)	☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	☐ Fiscal Note	



Fifty-sixth Legislature First Regular Session

House: MOE DP 6-4-0-0

HB2304: voting locations; precinct-based Sponsor: Representative McGarr, LD 17 Caucus & COW

Overview

Mandates that all voting locations be precinct-based.

History

The Board of Supervisors (BOS) of each county is required to establish a convenient number of election precincts within that county on or before October 1st of each year prior to a general election. Election precincts generally align with existing state and federal legislative district lines. The BOS designates one polling place within each precinct where the election will be held. Additionally, the BOS may authorize the use of voting centers in place of or in addition to specifically designated polling places. A voting center allows any voter in that county to receive the appropriate ballot on election day and lawfully cast their ballot. Voting centers may be established in coordination and consultation with the County Recorder, at other county offices or at other locations in the county deemed appropriate (A.R.S. § 16-411).

- 1. Requires all voting for elections administered by a county to be conducted at precinct-based polling places. (Sec. 1)
- 2. Prohibits the use of voting centers that provide countywide access to ballots for registered voters. (Sec. 1)
- 3. Contains a conforming legislation clause. (Sec. 2)

☐ Prop 105 (45 votes)	☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	☐ Fiscal Note



Fifty-sixth Legislature First Regular Session

House: MOE DPA 6-4-0-0

HB2305: ballots; signature verification; observers
Sponsor: Representative McGarr, LD 17
Caucus & COW

Overview

Requires the County Recorder and county officer in charge of elections to allow party representatives to observe each stage of the signature verification process for early ballots.

History

Signature verification is the process of comparing the signature on a voter's ballot affidavit with the voter's signature in the voter registration database. Signature verification is intended to ensure that only those individuals eligible to vote have their vote counted (Signature Verification Guide).

The county chairman of each political party represented on the ballot may designate representatives to act as early ballot challengers for the party. Each party must mutually agree on the number of representatives that can be present at one time. If an agreement cannot be reached, the number of representatives shall be limited to one for each political party (A.R.S. § 16-552).

Provisions

1. Adds that the County Recorder and county officer in charge of elections must allow representatives from the two largest political parties to observe each stage of the signature verification process. (Sec. 1)

Amendments

Committee on Municipal Oversight & Elections

- 1. Outlines the circumstances in which an individual may observe and challenge a ballot.
- 2. States that challenged affidavit envelopes must be reviewed by a bi-partisan challenge review board.
- 3. Specifies the chain of custody standards that must be maintained.
- 4. Adds that any violation of this law constitutes a class 5 felony.

☐ Prop 105 (45 votes)	☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	☐ Fiscal Note	



Fifty-sixth Legislature First Regular Session

House: MOE DP 7-3-0-0

HB2308: secretary of state; election; recusal Sponsor: Representative Jones, LD 17 Caucus & COW

Overview

Prohibits the Secretary of State from performing any duties concerning portions of an election in which the Secretary of State is a candidate.

History

An Assistant Secretary of State must be appointed to perform official duties in the Secretary of State's absence or when the Secretary of State is acting as Governor (A.R.S. § 41-122).

Public Officers and certain public employees must recuse themselves in specified circumstances. Any Public Officer or employee who has a substantial interest in any decision of a public agency must refrain from participating as an officer or employee in such decision. *Public Officer* is defined as all elected and appointed officers of a public agency established by charter, ordinance, resolution, state constitution or statute (A.R.S. §§ 38-502, 38-503).

- 1. Restricts the Secretary of State from taking any actions that pertain to an election for which they are a candidate. (Sec. 1)
- 2. Instructs the Secretary of State to publicly announce the person who will perform duties concerning portions of an election in which the Secretary of State is recused. (Sec. 1)

☐ Prop 105 (45 votes)	☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	☐ Fiscal Note	



Fifty-sixth Legislature First Regular Session

House: MOE DPA 10-0-0-0

HB 2378: officials; political action committee prohibition Sponsor: Representative Biasiucci, LD 30 Caucus & COW

Overview

States an elections officer or employee who oversees any significant aspect of an election may not be a member of a Political Action Committee (PAC).

History

For the 2023-2024 election cycle, a candidate is required to register as a candidate committee once the candidate's contributions or expenditures, or a combination, exceed \$1,400 or \$500 in city or town elections. For the 2023-2024 election cycle, registration as a PAC is required if an entity receives contributions or makes expenditures, or a combination, in excess of \$1,400 in connection with any election during the calendar year, and the primary purpose of the entity is to influence the result of an election (A.R.S. §§ 16-913, 16-931).

A PAC without mega PAC status may not contribute more than \$5,500 for the 2023-2024 election cycle to a candidate committee for local, Legislative and statewide offices. PACs may make unlimited contributions to persons other than candidate committees. A PAC that has mega PAC status may contribute up to \$10,700 to a candidate committee for local, Legislative and statewide offices in the 2023-2024 election cycle (A.R.S. §§ 16-914, 16-941).

Provisions

- 1. Prohibits elections officers or employees who oversee any significant aspect of an election from serving as a chairperson, treasurer or other member of a PAC. (Sec. 1)
- 2. Specifies that this law does not apply to an individual's membership in a candidate committee for that individual's own candidacy. (Sec. 1)

Amendments

Committee on Municipal Oversight & Elections

1. Clarifies that the Secretary of State, members of a county Board of Supervisors, County Recorders and other officers in charge of elections are prohibited from being a member of a PAC or coordinating with a PAC for the purpose of fundraising or advocating for or against any candidate or ballot measure.

☐ Prop 105 (45 votes)	☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	☐ Fiscal Note	



Fifty-sixth Legislature First Regular Session

House: MOE DP 6-4-0-0

HB2415: active early voting lists; removal Sponsor: Representative Biasiucci, LD 30 Caucus & COW

Overview

Modifies the eligibility requirements for a voter to remain on the Active Early Voting List (AEVL).

History

Any voter may request to be included on the AEVL, which is a list of voters who automatically receive an early ballot by mail for all elections. The request must specifically state that the voter's name be added to the AEVL for all elections in which the voter is eligible. The County Recorder or other officer in charge of elections must mail all early ballots to eligible voters on the AEVL no later than the first day of early voting. At any time, a voter may make a written request to be removed from the AEVL.

If a voter on the AEVL fails to vote an early ballot for two election cycles, the County Recorder must send a notice informing the voter of the required steps for the voter to remain on the AEVL. An *election cycle* is the two-year period beginning on January 1st in the year after a statewide general election. If a voter receives a notice and fails to respond within 90 days, the County Recorder or other officer in charge of elections must remove the voter's name from the AEVL (A.R.S. § 16-544).

Provisions

1. Decreases the number of consecutive election cycles in which a person may fail to vote an early ballot and remain on the AEVL from two election cycles to one election cycle. (Sec. 1)



Fifty-sixth Legislature First Regular Session

House: MOE DP 6-4-0-0

HB2477: electoral college; support Sponsor: Representative Montenegro, LD 29 Caucus & COW

Overview

Declares the Legislature's support for the electoral college.

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History The number of presidential electors is equal to the number of Senators and Representatives in Congress from this state. After the Secretary of State issues the canvass containing the results of a presidential election, the presidential electors of Arizona cast their electoral college vote for the candidate that received the highest number of votes (A.R.S. § 16-212).
Provisions
1. Outlines specified reasons for the Legislature's support of the electoral college. (Sec. 1)

☐ Prop 105 (45 votes)	☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	☐ Fiscal Note



Fifty-sixth Legislature First Regular Session

House: NREW DP 9-0-0-1

HB2216: hazardous air pollutants program Sponsor: Representative Griffin, LD 19 Caucus & COW

Overview

Removes the requirement that the Arizona Department of Environmental Quality run a state program to regulate hazardous air pollutants.

History

The Clean Air Act directs the Environmental Protection Agency (EPA) to regulate hazardous air pollutants, which are known or suspected to cause cancer, serious health effects, or adverse environmental effects. There are 188 of these pollutants, which include asbestos and lead compounds (42 U.S.C. § 7412). As part of its regulatory responsibilities, the EPA has established national emissions standards for sources of these pollutants (40 Code of Federal Regulations Part 61). The EPA may delegate some or all implementation and enforcement authority to a state program if this program receives EPA approval and is at least as stringent as federal regulations. A state that does not develop its own program must still comply with the federal emissions standards (42 U.S.C. § 7412).

In 1992, the Legislature directed the Arizona Department of Environmental Quality (ADEQ) to create a state program to regulate hazardous air pollutants, thereby allowing it to assume enforcement responsibilities in line with the Clean Air Act's requirements (Laws 1992, Chapter 299). ADEQ adopted rules for this program in 2006 (12 Arizona Administrative Register 1953). As part of a lawsuit settlement and orders from the Maricopa County Superior Court in 2010, two parts of these rules were held to be beyond ADEQ's statutory authority. These rules expired as part of the Governor's Regulatory Review Council's five-year review of rules in 2016 (23 Arizona Administrative Register 135 and A.R.S. § 41-1056).

1.	. Removes the requirement that ADEQ run a state	program to regulate hazardous air p	oollutants.
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☐ Prop 105 (45 votes)	☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	☐ Fiscal Note	



Fifty-sixth Legislature First Regular Session

House: NREW DP 6-4-0-0

HB 2437: transmission lines; applications; exceptions Sponsor: Representative Griffin, LD 19 Caucus & COW

Overview

Exempts a transmission line from being required to obtain a certificate of environmental compatibility if the line and its associated right-of-way is on land entirely owned in fee simple by one or more owners of the transmission line.

History

The Arizona Corporation Commission's Powerplant and Transmission Line Siting Committee was created to provide a single public forum for resolving issues related to where electric generating plants and transmission lines will be located (<u>Laws 1971, Chapter 67</u>). To build a transmission line, a utility or private developer must apply for and obtain a certificate of environmental compatibility from the committee and the Arizona Corporation Commission (<u>A.R.S. § 40-360.03</u>). The committee reviews the application and holds hearings, takes testimony from affected parties and evaluates evidence to determine, based on factors established in statute such as the proposal's technical feasibility and environmental impact, whether to issue or deny the certificate. The committee may choose to impose conditions on the certificate (A.R.S. §§ 40-360.04 and 40-360.06). If approved, the certificate is forwarded to the Arizona Corporation Commission for review and final approval (<u>A.R.S. § 40-360.07</u>).

- 1. Exempts a proposed transmission line from being required to obtain a certificate of environmental compatibility if the line and its associated right-of-way is on land entirely owned in fee simple by one or more owners of the transmission line. (Sec. 1)
- 2. Clarifies that land held in fee simple by an affiliate of one or more owners of the transmission line is considered held by the "owners of the transmission line" if each owner of the affiliate has an ownership interest in the line. (Sec. 1)
- 3. Makes technical and conforming changes. (Sec. 1 and 2)

☐ Prop 105 (45 votes)	☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	☐ Fiscal Note	



Fifty-sixth Legislature First Regular Session

House: NREW DP 10-0-0-0

HB 2438: board of supervisors; powers; water Sponsor: Representative Griffin, LD 19 Caucus & COW

Overview

Authorizes a county board of supervisors to participate in water reuse and recycling programs and regional wastewater recharge projects and related infrastructure.

History

A county board of supervisors has some statutory authorities to engage in water resources management:

- In counties with over 125,000 people, a board of supervisors must adopt a comprehensive plan that evaluates whether known water supplies are sufficient for future growth and outlines how to obtain additional water supplies (<u>A.R.S. § 11-804</u>). Counties with fewer people may adopt comprehensive plans that include these components;
- Outside of active management areas (AMAs), a county board of supervisors may unanimously adopt an ordinance requiring an adequate water supply as a condition for approving subdivision plats (A.R.S. § 11-823);
- A county board of supervisors can establish a privately-funded program that provides financial assistance to property owners who are low-income or on a fixed income to deepen their wells or replumb their residence for a water delivery system (<u>A.R.S. § 11-</u> 254.09);
- A county board of supervisors may accept and distribute federal funds for projects to increase water availability to municipal water providers, irrigation districts for agricultural use and a county's flood control district for aquifer recharge (A.R.S. § 11-251); and
- A county can apply for assistance to finance water infrastructure through several funds administered by the Water Infrastructure Finance Authority. For example, counties outside the Phoenix, Pinal and Tucson AMAs may apply for and receive loans and grants from the Water Supply Development Revolving Fund, which may be used for water supply development projects. These projects can include acquiring water rights, building facilities to reclaim and reuse water or recharge stormwater to increase water supplies, and implementing water conservation measures that reduce current uses or more efficiently using existing water supplies (A.R.S. §§ 49-1201, 49-1270 and 49-1273).

- 1. Authorizes a county board of supervisors to participate in water reuse and recycling programs and regional wastewater recharge projects and related infrastructure.
- 2. Makes a technical change.

☐ Prop 105 (45 votes)	☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	☐ Fiscal Note	



Fifty-sixth Legislature First Regular Session

House: NREW DP 10-0-0-0

HB2439: vehicle emissions inspections; enactment date Sponsor: Representative Griffin, LD 19
Caucus & COW

Overview

Changes, from July 1, 2023 to July 1, 2027, the date by which the United States Environmental Protection Agency (EPA) must approve 2021 legislative modifications to vehicle emissions testing program protocols for them to take effect.

History

The Clean Air Act (CAA) requires the EPA to set National Ambient Air Quality Standards (NAAQS) for pollutants that are common in outdoor air, harmful to health and the environment and come from diverse sources (42 U.S.C. § 7409). These pollutants include sulfur dioxide, particulate matter, nitrogen dioxide, carbon monoxide, ozone and lead. Each state must establish a state implementation plan (SIP) with measures to maintain NAAQS. The SIP must receive EPA approval (42 U.S.C. § 7410). Additionally, states with nonattainment areas must develop plans for these areas to reach an acceptable standard (42 U.S.C. § 7502).

The CAA sets requirements for vehicle inspection and maintenance (I/M) programs to identify and repair high emissions vehicles and improve air quality in areas that are not meeting NAAQS for ozone and/or carbon monoxide. I/M programs must follow several federal requirements that include performance standards, test procedures and standards and data analysis and reporting standards. However, the degree of testing and inspection for an I/M program increases with the level of nonattainment. For example, a serious level of nonattainment requires a state to adopt an enhanced I/M program that requires annual emissions testing and inspection of emissions control diagnostic systems (42 U.S.C. § 7511a and 42 U.S.C. § 7512a). To receive EPA approval, a state's SIP must explain how it will achieve I/M program requirements (40 C.F.R. § 51.372). A SIP remains effective until the EPA approves a revision that convincingly demonstrates the area can maintain the relevant standards without the emission reductions attributable to the I/M program (40 C.F.R. § 51.350(c)).

Enhanced I/M programs are currently operated in the Phoenix and Tucson metropolitan areas due to nonattainment of two NAAQS. Portions of these areas were previously designated as nonattainment areas under the carbon monoxide NAAQS. The Phoenix metropolitan area remains designated as nonattainment for the ozone NAAQS. These enhanced I/M programs are run through the Arizona Department of Environmental Quality's (ADEQ) Vehicle Emissions Inspection and Maintenance Program (A.R.S. § 49-541 et seq.). In 2021, the Legislature adopted changes to this program that included revised emission standards for different classes of vehicles based on features such as the presence of an onboard diagnostic system and use of diesel fuel (Laws 2021, Chapter 27). However, these changes would only be effective if the EPA's approved the SIP containing these changes by July 1, 2023. The EPA has not yet responded to the proposed SIP changes.

1.	Extends the date by which the EPA must approve of modifications to vehicle emissions testing program
	protocols in order for them to become effective. (Sec. 1)

2.	Contains an emergency cla	ause. (Sec. 2)			
	☐ Prop 105 (45 votes)	☐ Prop 108 (40 votes)	⊠ Emergency (40 votes)	☐ Fiscal Note	

3. Makes technical changes. (Sec. 1)



Fifty-sixth Legislature First Regular Session

House: NREW DP 6-4-0-0

HB 2442: temporary non-expansion area Sponsor: Representative Griffin, LD 19 Caucus & COW

Overview

Establishes a process for designating a temporary non-expansion area in places outside of an active management area (AMA) or irrigation non-expansion area (INA) and outlines a process and timeline for designating such an area.

History

There are two ways communities can actively regulate and manage groundwater usage:

- 1) Local landowners can petition the Arizona Department of Water Resources (ADWR) Director to designate an irrigation non-expansion area (INA) for one or more groundwater basins or sub-basins. The ADWR Director will do so upon determining that there is insufficient groundwater to provide a reasonably safe supply for irrigating cultivated lands at current withdrawal rates and establishing an active management area (AMA) is unnecessary (A.R.S.§ 45-432). Once designated, those lands that were irrigated at any time during the five years preceding its creation can be irrigated. Non-exempt wells must be metered and well owners must submit annual reports to ADWR (A.R.S.§ 45-437); and
- 2) Local landowners can petition their county board of supervisors to designate an AMA for one or more groundwater basins or sub-basins. If the petitioners meet a certain statutory threshold, an election will be called (A.R.S. § 45-415). If the voters approve designating an AMA, the ADWR Director must establish a management goal and a timeline for achieving that goal and promulgate an initial management plan for that area. The management goal and any management plans can only be adopted after public hearings (A.R.S. § 45-569). Additionally, once this AMA is designated, a groundwater users advisory council (GUAC) will be formed to advise the AMA's area director and make recommendations on programs and policies (A.R.S. § 45-421). Each GUAC consists of five members who are appointed by the Governor and serve six-year terms (A.R.S. § 45-420).

Provisions

Designation Process

- 1. Allows the designation of a temporary non-expansion area in locations outside of an INA or AMA to be initiated by a petition to the ADWR Director signed by both of the following:
 - a. at least half of the irrigation users of groundwater within the boundaries of the groundwater basin or subbasin specified in the petition; and
 - b. at least 10 percent of the registered voters residing within the boundaries of the groundwater basin or subbasin specified in the petition. (Sec. 1)

2.	Requires the form of the petition to be substantially similar to an initiative petition except that the county
	recorder will perform the duties required of the Secretary of State. (Sec. 1)

☐ Prop 105 (45 votes)	☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	☐ Fiscal Note

- 3. Prohibits the petition from being accepted more than 180 days after the application for the petition is submitted. (Sec. 1)
- 4. Instructs the ADWR Director, after receiving a petition signed by registered voters, to transmit the petition to the county recorder of each county in which the groundwater basin or sub-basin is located for verification. (Sec. 1)
- 5. Directs the ADWR Director, upon verification that a sufficient number of persons have signed the petition, to hold a public meeting to describe the boundaries of the proposed TNA, data on groundwater levels within the proposed area and the effect of establishing this area. (Sec. 1)
- 6. Requires the ADWR Director to provide reasonable notice of the time and location of the meeting, legal description and map of all lands in the proposed TNA and other information deemed necessary. (Sec. 1)
- 7. Requires the meeting be held at a location in the county in which the major portion of the proposed TNA is located within 60 days of when the notice is first published. (Sec. 1)
- 8. Directs ADWR to notify the appropriate county recorders when the public meeting is complete and requires the county boards of supervisors to call for an election on the question of designating a TNA. (Sec. 1)
- 9. Mandates that this election be conducted similar to a mail ballot election for a special district except that the only eligible voters are registered voters who reside inside the proposed TNA. (Sec. 1)
- 10. Clarifies that when the proposed TNA is in more than one county, the respective counties will cooperate in administering the election. (Sec. 1)
- 11. Stipulates that the TNA will be established if the majority of persons voting on the question approve its formation and instructs the ADWR Director to file a map of the TNA with the appropriate county recorder(s). (Sec. 1)
- 12. Specifies that a TNA may include more than one groundwater subbasin but may not be smaller than a groundwater subbasin or include only a portion of that subbasin. (Sec. 1)

Prohibitions on Irrigation and Limitations on Drilling Wells

- 13. Limits, once designation procedures begin, an irrigation user to irrigating acres that were irrigated any time in the five years preceding the start of designation procedures and declares that this limitation remains effective until an election is held on declaring a proposed TNA. (Sec. 1)
- 14. Establishes the following limitations once a TNA is established:
 - a. Limits irrigating lands with groundwater to those lands that were irrigated at any time during the five years preceding the start of designating procedures;
 - b. Clarifies that lands not irrigated during this five-period are considered under irrigation if the ADWR Director determines that substantial capital investment has been made to prepare the lands for irrigation;
 - c. Prohibits additional lands from being irrigated with groundwater for five years after the TNA's establishment; and
 - d. Forbids ADWR from issuing a drilling card authorizing the drilling of a well in a TNA except under the following circumstances provided that a notice of intent to drill is first filed with ADWR:
 - i. Deepening an existing well;
 - ii. Drilling or causing to be drilled a replacement well;
 - iii. A new well that will be used as a recovery well; or
 - iv. An exempt well. (Sec. 1)
- 15. Declares that upon the completion of the five-year period, the prohibitions on irrigating with groundwater and limitations on well drilling no longer apply. (Sec. 1)

Review of Groundwater

16. Instructs ADWR, at the end of the five-year period, to review the status of groundwater and estimate the amount of any change in groundwater levels in the TNA and submit a report of its findings to the

Governor, Senate President and Speaker of the House and provide a copy to the Secretary of State. (Sec. 1)

Miscellaneous

- 17. Defines irrigation user of groundwater. (Sec. 1)
- 18. Makes technical and conforming changes. (Sec. 2)



Fifty-sixth Legislature First Regular Session

House: NREW DP 10-0-0-0

HB2443: navigable stream adjudication commission; extension Sponsor: Representative Griffin, LD 19 Caucus & COW

Overview

Extends the Arizona Navigable Stream Adjudication Commission to July 1, 2028.

History

The Legislature created the Arizona Navigable Stream Adjudication Commission (ANSAC) in 1992 to resolve questions about the state's claim to ownership of riverbeds that were prompted by a court case (Laws 1992, Chapter 297). In *Arizona Center for Law in the Public Interest v. Hassell*, 172 Ariz. 356 (Ariz. Ct. App. 1992), the Arizona Court of Appeals held that a 1987 law disclaiming ownership of all riverbeds with the exception of the Colorado, Gila, Verde and Salt Rivers violated a precedent established by the U.S. Supreme Court relating to the public trust doctrine. That precedent held that states retained ownership of the beds of streams and rivers that were navigable at the time of statehood. Those beds were to be held in public trust and could not be conveyed unless doing so promoted a public purpose.

ANSAC, which consists of five members appointed by the Governor, was created to hold public hearings and review evidence to determine the ownership of the beds in each of Arizona's 39,039 streams and rivers at statehood and any public trust values associated with those watercourses. (A.R.S. § 37-1121 et seq.). If those waterways were navigable at statehood, the land in their beds is considered state trust land to be held in public trust. However, if the waterways were not navigable at statehood, then the land belongs to the current titleholder. Apart from the Colorado River, ANSAC determined that all of Arizona's 39,039 watercourses were non-navigable at the time of statehood.

ANSAC's determinations have undergone several rounds of litigation, but the only remaining case involves the determinations of non-navigability for the Gila, Salt and Verde Rivers. That case is with the Arizona Court of Appeals, which has not issued a decision (1 CA-CV 20-0295).

ANSAC was last extended in 2019 and will terminate on July 1, 2024 (<u>Laws 2019, Chapter 26</u> and <u>A.R.S.</u> § 37-1121).

- 1. Continues ANSAC to July 1, 2028. (Sec. 1)
- 2. Makes technical changes (Sec. 1).

☐ Prop 105 (45 votes)	☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	☐ Fiscal Note	



Fifty-sixth Legislature First Regular Session

House: NREW DP 6-4-0-0

HB 2444: natural resource conservation districts; revisions Sponsor: Representative Griffin, LD 19 Caucus & COW

Overview

Establishes the Natural Resource Conservation District Commission to provide grants to natural resource conservation districts and directs the State Natural Resource Conservation Commissioner to provide administrative support to this commission.

<u> History</u>

Farmers, ranchers and other agricultural producers can establish Natural Resource Conservation Districts (NRCDs) to restore, conserve and protect natural resources, including lands, water and wildlife (A.R.S. §§ 37-1001 and 37-1031). These districts can conduct surveys, investigations and research on soil character, soil erosion prevention, methods of cultivation, farm and range practices, seeding, eradicating noxious growths and any other measures that will aid farm and range operations. Further, NRCDs can enter into agreements with landowners, operators or the state or federal government to carry out programs in these areas on lands within farms or ranches (A.R.S. § 37-1054).

Each NRCD is governed by five supervisors. Three of these supervisors are elected by district landowners and serve six-year terms. The State Natural Resource Conservation Commissioner appoints the other two supervisors, who serve two-year terms (A.R.S. § 37-1051). The State Natural Resource Conservation Commissioner may remove a supervisor after a hearing if that supervisor is guilty of misfeasance, malfeasance or nonfeasance (such as failing to attend three district meetings in a row without a reasonable excuse (A.R.S. § 37-1013). In addition to appointing officers and advisory members, the supervisors can employ secretaries, staff and other professional experts (A.R.S. §§ 37-1052 and 37-1053).

The State Natural Resource Conservation Commissioner (who is also the State Land Commissioner) is responsible for overseeing NRCDs. In that role, this official may appoint an administrative officer of the Division of Natural Resource Conservation and other staff as well as determine the bond of any assistant responsible for handling funds or property (A.R.S. § 37-1012). The State Natural Resource Conservation Commissioner also provides assistance to the NRCD supervisors, provides information to districts, coordinates programs and distributes funds to NRCDs (A.R.S. § 37-1013).

Provisions

Commission Membership Requirements (Sec. 2)

- 1. Establishes the Natural Resource Fund Commission, membership requirements for this commission and a process for appointing voting members to this commission.
- 2. Prohibits two commission members from serving as an elected or appointed supervisor for an NRCD from the same geographic natural resource area.
- 3. Requires appointed commission members to be selected from applications submitted to the Governor, Speaker of the House and Senate President.
- 4. Requires all appointed commission members to serve two-year staggered terms.
- 5. Permits an appointed member to serve more than one term and continue serving beyond the term's expiration until a successor assumes office.
- 6. Allows appointed members to be eligible for reimbursements for travel, lodging and meal expenses.

Commission Powers and Duties (Sec. 2)

7. Establishes the commission's authority in a quorum consisting of a majority of members.

- 8. Allows less than a quorum of commission members to hold public meetings without taking legal action.
- 9. Directs the commission to:
 - a) Adopt rules;
 - b) Award grant monies;
 - c) Coordinate staffing needs with the State Natural Resource Conservation Commissioner;
 - d) Adopt an official seal for the commission's records, decisions and resolutions;
 - e) Maintain records of all commission meetings and activities;
 - f) Designate an individual to execute all documents and instruments on the commission's behalf; and
 - g) Prepare an annual report.
- 10. Indemnifies commission members from liability for actions related to the commission's work.
- 11. Transfers, from the State Natural Resource Conservation Commissioner to the commission, the authority to appoint staff (including an administrative officer of the Division of Natural Resource Conservation) and determine the amount of bond required of any staff handling funding or property.
- 12. Allows the commission to:
 - a) Sue and be sued;
 - b) Contract with any person to expend monies;
 - c) Meet with state authorities to consider matters of mutual interest;
 - d) Secure from any state agency information to help the commission carry out its duties; and
 - e) Accept, use and dispose of appropriations, gifts, grants, property, or donations of service.
- 13. Forbids the commission from purchasing real property or using eminent domain to acquire water or water rights or long-term storage credits using Natural Resource Conservation District Fund monies.
- 14. States that the commission is subject to Open Meetings Law and public records requests.
- 15. Instructs the commission to gather information from the public and certain federal, state and local government entities.
- 16. Directs the commission to develop procedures to ensure adequate public participation.
- 17. Requires the commission to submit an annual report of its activities and grants awarded to the Governor, Senate President and Speaker of the House by July 1, 2024 and each year thereafter.

Grants from the Commission (Sec. 2)

- 18. Instructs the commission to develop grant guidelines with the State Natural Resources Conservation Commissioner every three years and to revise these guidelines based on feedback from NRCDs and the public.
- 19. Directs the commission to:
 - a) Award grant monies from the fund based on application guidelines;
 - b) Establish a procedure by which monies may be granted annually;
 - c) Approve or deny an application and disburse grant monies within six months of receipt;
 - d) Require a grant recipient to abide by certain terms as a condition for approval; and
 - e) Allow for public involvement during the grant review process.
- 20. Authorizes any NRCD with an elected or appointed supervisor to apply for a grant.
- 21. Allows the State Land Department to apply for a grant for additional monies to carry out its roles and responsibilities for the commission and NRCDs.
- 22. Prohibits a federal agency from receiving grant monies.
- 23. Limits grants to financing programs in Arizona that fall under an NRCD's established powers.
- 24. Exempts grants from state procurement code requirements.

Natural Resource Conservation District Fund (Sec. 2)

- 25. Establishes the Natural Resource Conservation District Fund, which consists of legislative appropriations and is subject to legislative appropriation.
- 26. Directs the commission to administer the fund.
- 27. Instructs the commission to establish priorities for the fund and use fund monies to provide grants to NRCDs for authorized programs.
- 28. Allows the commission to accept and spend private grants, gifts, contributions and devises to assist in providing grants.
- 29. Authorizes the commission to award up to 5 percent of total monies deposited in the fund in the previous calendar year as a grant to the Arizona State Land Department.
- 30. Directs the State Treasurer to invest and divest monies on notice from the commission.
- 31. Allows the Arizona State Land Department to spend interest earned on fund monies on administrative costs.
- 32. Exempts fund monies from lapsing.

State Natural Resource Conservation Commissioner (Sec. 4)

- 33. Instructs the State Natural Resource Conservation Commissioner to:
 - a) Keep NRCD supervisors apprised of relevant information from other states and program opportunities between districts; and
 - b) Provide administrative, technical and legal support to the commission based on the availability of funding.
- 34. Repeals the State Natural Resource Conservation Commissioner's authority to:
 - a) Coordinate the programs of several NRCDs insofar as possible by advice and consultation; and
 - b) Disseminate information throughout Arizona on NRCD activities and programs.

Natural Resource Conservation Districts

- 35. Requires the State Natural Resource Conservation Commissioner to use a list of nominees from the elected supervisors when determining:
 - a) Which supervisors to appoint; and (Sec. 10)
 - b) Which supervisor to appoint when there is a vacancy of an elected supervisor other than for an expiration of term. (Sec. 11)
- 36. Authorizes NRCDs to apply for, receive and spend Water Infrastructure Finance Authority monies for use in individual districts or in cooperation with other entities. (Sec. 12)
- 37. Allows an NRCD to send recommendations for geographic areas to be addressed and issues of concern to the commission. (Sec. 12)

Miscellaneous

- 38. Defines commission, cooperative agreement and fund. (Sec. 1)
- 39. Makes technical and conforming changes. (Sec. 1 and 3-12)

□ Prop 105 (45 votes) □ Prop 108 (40 votes) □ Emergency (40 votes) □ Fiscal	Note



Fifty-sixth Legislature First Regular Session

House: NREW DPA 6-4-0-0

HB 2496: transmission lines; definition Sponsor: Representative Griffin, LD 19 Caucus & COW

Overview

Adds, to the definition of *transmission line*, the requirement that the series of new structures transmitting electricity be more than one-fourth mile long.

History

The Arizona Corporation Commission's Powerplant and Transmission Line Siting Committee was created to provide a single public forum for resolving issues related to where electric generating plants and transmission lines will be located (<u>Laws 1971, Chapter 67</u>). To build a transmission line, a utility or private developer must apply for and obtain a certificate of environmental compatibility from the committee and the Arizona Corporation Commission (<u>A.R.S. § 40-360.03</u>). The committee reviews the application and holds hearings, takes testimony from affected parties and evaluates evidence to determine, based on factors established in statute such as the proposal's technical feasibility and environmental impact, whether to issue or deny the certificate. The committee may choose to impose conditions on the certificate (A.R.S. § <u>40-360.04</u> and <u>40-360.06</u>). If approved, the certificate is forwarded to the Arizona Corporation Commission for review and final approval (<u>A.R.S. § 40-360.07</u>).

Under current statute, a transmission line must undergo this review and approval process based solely on whether it consists of a series of new, aboveground structures that support conductors transmitting electricity at a nominal voltage of 150,000 volts or more (A.R.S. § 40-360(10)).

- 1. Adds, to the definition of *transmission line*, the requirement that the series of new structures transmitting electricity must be more than one-fourth mile long. (Sec. 1)
- 2. Makes technical changes. (Sec. 1)

☐ Prop 105 (45 votes)	☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	☐ Fiscal Note	



Fifty-sixth Legislature First Regular Session

House: NREW DP 6-4-0-0

HB 2535: private property; wells; regulation; prohibition Sponsor: Representative Smith, LD 29 Caucus & COW

Overview

Prohibits a well in an unincorporated area and any buildings or structures supplied by that well from being subject to municipal regulation if a municipality annexes the area containing the well.

History

Annexation Process

To annex adjoining lands, a municipality must file a blank petition with the appropriate county recorder that contains a description and map of the proposed annexation. After this petition is filed, a municipal governing body will hold a public hearing to discuss the proposed annexation. Within a year, a completed petition signed by both of the following groups who would be subject to the annexation must be filed with the county recorder:

- 1) Owners of at least 50% of the value of real and personal property; and
- 2) At least 50% of those owning real and personal property.

The annexation becomes final 30 days after the municipal governing body adopts an ordinance annexing the land (A.R.S. § 9-471). Once annexed, the lands become subject to the municipality's ordinances, which may include building requirements, fire codes, or requirements for a subdivider to install certain water facilities when a public water main is accessible (A.R.S. §§ 9-276, 9-463.01 and 9-808).

Additionally, an exempt well (one with a pumping capacity of less than 35 gallons per minute for a non-irrigation use) may not be drilled in an active management area if it is within 100 feet of the water distribution system for a municipal water provider with a designation of assured water supply. However, a landowner may apply for an exemption to this requirement if one of the following criteria apply:

- 1) The applicant requested water service from the municipal provider and received no reply;
- 2) The cost of connecting to the distribution system exceeds the cost of drilling an exempt well:
- 3) The applicant received no reply from a landowner if the applicant needed to obtain an easement across other land to connect to the distribution system; or
- 4) None of the above criteria apply and the municipal provider confirms that the landowner will not receive water service while the well is operational (A.R.S. §§ <u>45-402</u> and <u>45-454</u>).

- 1. States, notwithstanding any other law, that:
 - a. A well drilled on private property in an unincorporated area is not subject to municipal regulation if the area containing the well is annexed by a municipality after the well has been drilled; and
 - b. Any building or structure that requires water from this well is not subject to municipal regulation if the unincorporated area containing the well is annexed by a municipality after the well has been drilled. (Sec. 1)

☐ Prop 105 (45 votes)	☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	☐ Fiscal Note



Fifty-sixth Legislature First Regular Session

House: NREW DP 9-1-0-0

HCM2006: urging eradication; salt cedars; waterways
Sponsor: Representative Griffin, LD 19
Caucus & COW

Overview

Requests that Congress appropriate monies to eradicate salt cedars from Arizona waterways and develop solutions to control the proliferation of salt cedars with the U.S. Department of the Interior and the U.S. Department of Agriculture.

<u>History</u>

The salt cedar or tamarisk is a shrub/tree native to Eurasia. It was introduced in the United States as an ornamental plant in the early 1800s. By the 1920s, salt cedars had escaped cultivation and become an ecological threat because their seeds easily travel by wind and water and germinate quickly. The U.S. Geological Survey recognizes the salt cedar as an introduced species with a widespread invasive status in the U.S. Register of Introduced and Invasive Species. The U.S. Department of Agriculture's National Invasive Species Center also has identified the salt cedar as a terrestrial invasive species.

The salt cedar is 5-20 feet tall and is a habitat generalist that can grow in conditions of high salinity, submergence or drought. A single plant may consume up to 200 gallons of water per day depending on the available water supply, preventing native plants from receiving adequate water. The lack of protein in salt cedars makes them unfit for consumption by wildlife, and their leaves and stems discharge salt into the ground, which can affect the wellbeing of surrounding plants. Nonetheless, salt cedars can be used as nesting sites for birds and provide pollen to honeybees.

There have been several recent efforts to manage and eradicate salt cedars. In 2006, Congress passed the Salt Cedar and Russian Olive Control Demonstration Act, which appropriated \$80,000,000 to the Secretary of the Interior to assess and develop management strategies for salt cedars in western states until 2010 (Public Law 109-320). Arizona's Nonnative Vegetation Species Eradication fund was established in 2019 to finance projects to eradicate salt cedars (Laws 2019, Chapter 269). It has received an annual appropriation of \$1,000,000 from the state General Fund starting in FY 2020 which will continue through FY 2029 (Laws 2019, Chapter 263). Additionally, the FY 2023 budget appropriated \$5,000,000 to eradicate salt cedars along a stretch of the Gila River (Laws 2022, Chapter 313).

- 1. States that the Arizona Legislature urges Congress to appropriate monies to eradicate salt cedars from Arizona waterways and requests the development of solutions by the U.S. Department of the Interior and the U.S. Department of Agriculture to control the proliferation of salt cedars.
- 2. Directs the Arizona Secretary of State to transmit the memorial to the President of the United States, the President of the U.S. Senate, the Speaker of the U.S. House of Representatives, the Secretary of the U.S. Department of the Interior, the Secretary of the U.S. Department of Agriculture and each member of Congress from Arizona.

☐ Prop 105 (45 votes)	☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	☐ Fiscal Note



Fifty-sixth Legislature First Regular Session

House: RA DP 7-0-0-0

HB2012: real estate appraisers; licensure classifications Sponsor: Representative Livingston, LD 28 Caucus & COW

Overview

Permits state-licensed real estate appraisers to conduct the appraisal of complex residential units under \$400,000.

History

The Department of Insurance and Financial Institutions (DIFI) licenses and authorizes the transactions of insurance-related entities and regulates state-chartered financial entities such as money transmitters, motor vehicle dealers and real estate appraisal entities (<u>JLBC FY2023 Baseline Book – Department of Insurance and Financial Institutions</u>).

<u>The Appraisal Qualifications Board</u> (the Board) sets universal standards adopted by DIFI for minimum criteria necessary to either be certified, licensed, or registered as a real estate appraiser. (A.R.S. § 32-3605). The Board standards for a state-licensed real estate appraiser are as follows:

- 1) Must complete the Board licensed residential real property appraiser examination;
- 2) Must complete 150 credit class hours under the Board required core curriculum; and
- 3) Have 1,000 hours of qualifying experience in no fewer than 6 months.

Associated fees for state-licensed real estate appraisers are composed of new application and national registry fees of \$400.00 and \$80.00. For license renewal, there is a biennial renewal and national registry fee of \$425.00 and \$80.00 (Department of Insurance and Financial Institutions). According to DIFI, there is a total of 170 active state-licensed real estate appraisers in Arizona.

In 2019, the Federal Government issued the Appraisal Rule, which required federally related real estate transactions valued at more than \$400,000 to require a state-certified appraiser. For transactions under that threshold, an evaluation of real property collateral is required instead (C.F.R. 12-3B-323).

Complex one to four residential units are properties that are considered atypical for the marketplace considering factors such as: 1) architectural style; 2) age of improvements; 3) size of improvements; 4) size of lot; 5) neighborhood land use; 6) potential environmental hazard liability; 7) leasehold interest; and 8) limited readily available comparable sales or other unusual factors (A.R.S. § 32-3601).

- 1. Expands the value threshold that state-licensed real estate appraisers can appraise complex one to four residential units from \$250,000 to \$400,000. (Sec. 1)
- 2. Makes technical changes. (Sec. 1)

☐ Prop 105 (45 votes)	☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	☐ Fiscal Note



Fifty-sixth Legislature First Regular Session

House: RA DP 7-0-0-0

HB 2016: food handler certificates; training; exemption Sponsor: Representative Cook, LD 7 Caucus & COW

Overview

Prohibits counties from requiring volunteers at school activities or functions involving food-handling to obtain a food handler certificate or identification card or to participate in a food handler certificate training course.

History

Counties may require food handler training and certification for employees in the food industry. If required, the food handler certificate training course must meet certain standards and focus on the following topics:

- The relationship between time and temperature with respect to foodborne illness during various food handling preparation, serving stages and the use of thermometers in monitoring food temperatures;
- 2) The relationship between personal hygiene and food safety and the recognition of how policies, procedures and management improve food safety practices;
- 3) Methods of preventing food contamination in all stages of food handling, including before, during and after delivery;
- 4) Procedures of cleaning and sanitizing equipment and utensils; and
- 5) Problems and potential solutions for temperature control, preventing cross-contamination, housekeeping and maintenance.

Upon completion of a food handler certificate training course, any certificate or any identification card required by the county must be given to the person who completed the course. Food handler certificate training courses must be completed or renewed within the county's required timeframe. (A.R.S. § 11-269.12).

1.	Prohibits counties from requiring volunteers at school activities or functions that handle or serve food
	to obtain a food handler certificate or identification card or participate in a food handler certificate
	training course. (Sec. 1)

☐ Prop 105 (45 votes) ☐ Prop 1	08 (40 votes)	gency (40 votes) ☐ Fiscal Note	е



Fifty-sixth Legislature First Regular Session

House: RA DPA 7-0-0-0

HB 2199: cosmetology instructors
Sponsor: Representative Wilmeth, LD 2
Committee on Regulatory Affairs

Overview

Provides license reciprocity if an individual has at least one year of instructor experience in another state or country.

History

Title 32, Section 532, Arizona Revised Statutes, authorizes an individual to receive a license to teach cosmetology, aesthetics, nail technology or hair styling (Professions) in a school if the person applies to the Barbering and Cosmetology Board and pays the required license fees. The person must comply with one of the following:

- 1) is a currently licensed instructor in one of the Professions in another state or country; or
- 2) does all the following:
 - a) submits proof of being at least 18 years of age; or submits a high school diploma and proof of being at least 16 years of age; and
 - b) is a licensed professional in another state or country;
 - c) completes training in another state or country with an instructor education program with requirements substantially equivalent to those of Arizona;
 - d) passes the required examination for an instructor license;
 - e) has five years of industry experience within the 10 years before application; and
 - f) meets all Board requirements.

Students may only provide services to the public while under the direct supervision of an instructor and cannot receive any kind of pay for professional services while a student (A.R.S. 32-557).

Provisions

- 1. For purposes of license reciprocity, permits a person with at least one year of instructor experience in another state or country to obtain an Arizona instructor's license. (Sec. 1)
- 2. Allows an enrolled student in the school to be a paid employee if the person intends to become an instructor. (Sec. 2)

Amendments

Committee on Regulatory Affairs

1. Makes a clarifying change.

☐ Prop 105 (45 votes)	☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	☐ Fiscal Note



Fifty-sixth Legislature First Regular Session

House: RA DPA 6-1-0-0

HB 2301: homeowners' associations; political activity
Sponsor: Representative Carter, LD 15
Caucus & COW

Overview

Prevents Homeowner's Associations (HOA) from restricting door-to-door political activity for unit owners in condominiums and planned communities.

History

An association of condominiums or planned communities, commonly known as HOAs, are for profit, nonprofit or unincorporated associations of owners created under a declaration to operate portions of common ownership and obligations. HOAs assess fees and costs to members for payment of these obligations (A.R.S. §§ 33-1202, 33-1241, 33-1802)

An HOA may not prohibit door-to-door political activity or the circulation of political petitions on property normally open to visitors within the association except under specific circumstances (<u>A.R.S. §§ 33-1261</u> and <u>33-1808</u>).

Provisions

- 1. Prohibits an HOA from preventing unit owners in condominiums and planned communities from engaging in door-to-door political activity including:
 - a. solicitations of support or opposition for candidates or ballot issues; and
 - b. circulations of political petitions, nomination petitions or petitions in support of or opposition to an initiative, referendum, recall or political issue. (Sec. 1)
- 2. Makes technical and conforming changes. (Sec. 1)

Amendments

Committee on Regulatory Affairs

- 1. Strikes language prescribing that HOAs cannot restrict unit owners in condominium and planned community associations from conducting door to door political activity including:
 - a) solicitations of support or opposition for candidates or ballot issues; and
 - b) circulations of political petitions, nomination petitions or petitions in support of or opposition to an initiative, referendum, recall or political issue.
- 2. Allows an HOA to prevent individuals that are neither members or residents of a planned community or condominium from entering the premises.
- 3. Makes conforming changes.

☐ Prop 105 (45 votes) ☐ Prop 108 (40 votes) ☐ Emergency (40 votes) ☐ Fiscal N	ote



Fifty-sixth Legislature First Regular Session

House: RA DP 7-0-0-0

HB 2373: permits; automated permitting platform Sponsor: Representative Biasiucci, LD 30 Caucus & COW

Overview

Authorizes municipalities and counties that issue solar construction permits to utilize a *qualified online* automated permitting platform to verify necessary code compliance.

History

Each municipality and county is required by law to adopt standards for issuing permits for solar energy devices. For solar photovoltaic systems that connect to a utility system:

- 1) the location of the photovoltaic system installation must be noted on the construction plans, including roof plan and elevation;
- 2) photovoltaic panel mounting details must be included in the installation plans; and
- 3) the electrical diagrams include one-line and three-line diagrams.

For solar water heaters, the following directives apply:

- 1) the location of the solar panel system must be noted on the construction plans, including roof plan, elevation and mounting details for installation; and
- 2) solar water heating equipment must be installed according to applicable plumbing codes prescribed by a solar rating and certification corporation and any Arizona guidelines.

Statute prohibits requiring the stamp of a professional engineer unless deemed necessary, in which case the municipality or county must provide to the permittee, a written explanation of why the engineering stamp is necessary. Additionally, any building or permit fee or other charge cannot exceed the actual cost of issuance. An itemized list of individual costs must be provided upon request of the permittee. Further, before adoption of any fee or charge for service or any additional charge, the municipality or county must hold a public hearing with at least 15 days' published notice (A.R.S. § 9-468 and § 11-323).

- 1. Stipulates the electrical diagrams may be one-line or three-line, rather than both. (Sec. 1, 2)
- 2. States that a one-line or three-line electrical diagram is not required if a municipality or county uses a *qualified online automated permitting platform* to verify code compliance. (Sec. 1, 2)
- 3. Authorizes a municipality or county to utilize a *qualified online automated permitting platform* in place of the detailed installation plans and diagrams. (Sec. 1, 2)
- 4. Defines *qualified online automated permitting platform* as a web-based portal that automates the plan review, approves code compliance and issues permits for various residential solar energy and storage systems in real time. (Sec. 1, 2)
- 5. Makes technical changes. (Sec. 1, 2)

☐ Prop 105 (45 votes)	☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	☐ Fiscal Note	



Fifty-sixth Legislature First Regular Session

House: RA DP 7-0-0-0

HB 2377: public officers; lobbying; prohibition Sponsor: Representative Biasiucci, LD 30 Caucus & COW

Overview

Prohibits a public officer from representing a person for compensation before any public agency.

<u>History</u>

Title 38, Chapter 3, Article 8, details *conflict of interest* by public officers and employees of incorporated cities or towns, political subdivisions and the state, its departments, commissions, agencies and boards (A.R.S. 38-501).

Statute defines *public officers* as all elected and appointed officers of a public agency established by charter, ordinance, resolution, state constitution or statute. *Employee* means all persons who are not public officers and who are employed for compensation by an incorporated city or town, political subdivision or the state, its departments, agencies, boards or commissions. Further, *public agency* includes the courts, the state's departments, agencies, boards, commissions, legislative or administrative bodies of the state, its counties, incorporated cities and towns and any other political subdivision (A.R.S. 38-502).

- 1. States that a *public officer* cannot represent any person for compensation before any *public agency*. (Sec. 1)
- 2. Clarifies that an officer is a public officer. (Sec. 1)
- 3. Makes conforming changes. (Sec. 1)

☐ Prop 105 (45 votes)	☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	☐ Fiscal Note	



Fifty-sixth Legislature First Regular Session

House: RA DP 7-0-0-0

HB 2429: occupational licenses; convictions Sponsor: Representative Wilmeth, LD 2 Caucus & COW

Overview

Expands the exemption related to criminal histories for which state agencies may not deny an occupational license. Requires the Department of Public Safety (DPS) to issue a fingerprint clearance card for individuals convicted of specified crimes if their convictions have been set aside or their records have been sealed.

History

Statute requires state agencies to limit occupational regulations to those that are demonstrated to be necessary to specifically fulfill a concern for public health, safety or welfare (A.R.S. § 41-1093.01). State law also prohibits agencies from denying a regular or provisional occupational license to someone who is otherwise qualified but who has been convicted of a drug offense. Occupational licenses include permits, certificates, approvals, registrations, charters or any similar form of permission that allows an individual to use an occupational title or perform work in a lawful occupation (A.R.S. § 41-1093.06).

Arizona statutes require a fingerprint clearance card for several types of professional licenses, certifications and state jobs. Statute establishes two separate lists of crimes, appealable and unappealable, for which DPS must deny a fingerprint clearance card. If a person has been convicted of an offense on the appealable list, the person can appeal to the Board of Fingerprinting for a good cause exception.

- 1. Prohibits state agencies from denying a regular or provisional occupational license to an individual convicted of a felony offense, except if the person was convicted of one of the following:
 - a. a dangerous crime against children;
 - b. a serious offense; or
 - c. a violent or aggravated felony. (Sec. 1)
- 2. Requires DPS to issue a fingerprint clearance card if all of the following apply:
 - a) the person is applying for a fingerprint clearance card to obtain a license under Title 32;
 - b) the person's criminal history record does not include any unappealable offenses; and
 - c) the person's criminal history record contains an appealable offense and the conviction has been set aside or the record has been sealed. (Sec. 2)
- 3. Makes conforming changes. (Sec. 1)

☐ Prop 105 (45 votes)	☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	☐ Fiscal Note



Fifty-sixth Legislature First Regular Session

House: RA DP 7-0-0-0

HB 2509: food preparation; sale; cottage food Sponsor: Representative Grantham, LD 14 Caucus & COW

Overview

Expands the foods that meet the cottage food exemption if they meet certain requirements. Maintains current cottage food program guidelines and adds sale requirements.

History

Statute requires the Director of the Department of Health Services (DHS) to adopt rules to provide for the oversight of food and drinks sold at the retail level, including minimum standards for related facilities producing. and necessary measures for processing. labeling, storing, handling, serving and transporting food products. However, cottage food products that are prepared in a home kitchen are exempt from these requirements and may be offered for commercial sale if the products are not potentially hazardous and do not require time or temperature controls for food safety. Statute and rule provide related requirements, both for the food products, including packaging and labels, and the food preparer, including food handler training courses, active food handler certification and registration with the online registry established by DHS (A.R.S. § 36-136).

Cottage food program-approved foods include cakes, cookies, breads and jams and jellies made from allowable fruits. However, foods that require refrigeration are not approved. Currently, potentially hazardous food products fall under retail food regulatory oversight, which requires the products to be prepared in a licensed and inspected commercial kitchen. Federal law and regulations provide for inspections of poultry, poultry products and meat and meat products, but exempt certain products, including from producers that slaughter not more than 1,000 poultry in a calendar year and operation types that are traditionally and usually conducted at retail stores and restaurants if other specified requirements are met (9 CFR § 381.10).

Provisions

Expansion

- 1. Expands the food products that meet the cottage food product exemption to those that are potentially hazardous or require time or temperature control for safety if they are exempt under federal regulations. (Sec. 2)
- 2. Allows the sale of the following as cottage food products if they meet the requirements under federal regulations:
 - a) poultry, poultry byproducts or poultry food products if the producer raised the poultry pursuant to the 1,000 bird exemption; and
 - b) poultry, poultry byproducts, poultry food products and meat, meat byproducts and meat food products if they are from an inspected source. (Sec. 2)
- 3. Specifies that alcoholic beverages, foods that contain alcoholic beverages, unpasteurized milk, fish and shellfish products, meat, meat byproducts, poultry and poultry byproducts do not meet the definition of cottage food product unless their sale is allowed by federal law, as specified above. (Sec. 2)

4. Allows food producers to sell cottage food products to the maximum extent allowed by federal law. (Sec. 2)

Sale Requirements

- 5. Requires cottage food products that do not contain dairy, meat or poultry to be sold by the food preparer or agent, including a third-party vendor, and delivered to the consumer by the food preparer, agent, third-party vendor or third-party carrier. (Sec. 2)
- 6. Requires cottage food products that are dairy or that contain meat or poultry to be:
 - a) sold by the preparer in person or remotely, including over the internet; and
 - b) delivered to the consumer in person. (Sec. 2)
- 7. Requires cottage food products that are potentially hazardous or require time or temperature control for safety and that are transported before final delivery to consumers to be:
 - a) maintained at an appropriate temperature during transport;
 - b) not transported more than once; and
 - c) not transported for longer than two hours. (Sec. 2)
- 8. Requires third-party vendors to sell cottage food products:
 - in a separate section of the store or on a separate display case from nonhomemade food items; and
 - b. with a sign that indicates they are homemade and exempt from state licensing and inspection. (Sec. 2)

Miscellaneous

- 8. Maintains current requirements for cottage food products and product preparers. (Sec. 2)
- 9. Specifies the above requirements are not more restrictive than the applicable federal laws. (Sec. 2)
- 10. Specifies that these requirements do not:
 - a. impede DHS or a county from investigating foodborne illness;
 - b. change the requirements for brand inspections, animal health inspections or food inspections required by state or federal law; or
 - c. change the requirements for the sale of milk, milk products, raw milk or raw milk products. (Sec. 2)
- 11. Requires DHS to adopt rules relating to cottage food products and exempts DHS from rulemaking requirements for 18 months after the general effective date. (Sec. 2, 3)
- 12. Makes technical and conforming changes. (Sec. 1)

☐ Prop 105 (45 votes)	☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	☐ Fiscal Note	
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Fifty-sixth Legislature First Regular Session

House: TI DP 10-1-0-0

HB2288: roundabouts; right-of-way; large vehicles
Sponsor: Representative Cook, LD 7
Caucus & COW

Overview

Allows the operator of a vehicle or combination of vehicles that are at least 40 feet long or at least 10 feet wide, with due regard for all other traffic, to deviate from their lane when approaching or driving through a roundabout. Outlines right-of-way requirements in a roundabout and directs the local jurisdiction or director of the Arizona Department of Transportation (ADOT) to post a sign at all roundabouts stating that trucks have the right of way.

History

If a roadway is divided into two or more clearly marked lanes for traffic, the following rules apply:

- 1) A person shall drive a vehicle as nearly as practicable within a single lane and shall not move the vehicle from that lane until the driver determines they can do so safely. A motorcycle driver is exempt from this requirement while legally lane filtering;
- 2) On a roadway that is divided into three lanes, a person shall not drive a vehicle in the center lane except when overtaking and passing another vehicle if the road is visible and clear of traffic within a safe distance, or in preparation for a left turn or where the center lane is reserved for traffic moving in the direction the vehicle is proceeding and is signposted to give notice of the change; and
- 3) Official signs may be erected directing slow-moving traffic to use a designated lane or designating those lanes to be used by traffic moving in a particular direction regardless of the center of the roadway, drivers of vehicles are required to adhere to the directions of every sign (A.R.S. § 28-729).

- 1. Permits the operator of a vehicle or combination of vehicles with a length of at least 40 feet or a width of at least 10 feet, with due regard for all other traffic, to deviate from their lane to the extent necessary to approach and drive through a roundabout. (Sec.2)
- 2. Asserts that the driver of a vehicle, when approaching or in a roundabout, must yield the right-of-way to a person driving a vehicle or combination of vehicles that are at least 40 feet long or at least 10 feet wide feet through a roundabout at the same time or close enough in time to present an immediate hazard. (Sec.2)
- 3. Specifies that a person driving through a roundabout is not required to yield to the operator of a vehicle or combination of vehicles that are at least 40 feet long or at least 10 feet wide who are approaching a roundabout. (Sec.2)
- 4. States that when two vehicles or combination of vehicles each having a length of at least 40 feet or a width of at least 10 feet approach or drive through a roundabout at the same time or so close in time as to create a hazard, the driver on the right must yield the right-of-way to the driver on the left and must slow down or stop if necessary to yield. (Sec.2)

5.	Directs the local jurisdiction or director of ADOT to post at all roundabouts a minimum of one yield sign
	before the entrance of the roundabout with an additional sign underneath stating "trucks have right-of-
	way in roundabout". (Sec. 2)
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	☐ Prop 105 (45 votes)	☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	☐ Fiscal Note	
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- 6. Outlines requirements for the signage. (Sec.2)
- 7. Defines roundabout. (Sec.2)
- 8. Makes a conforming change. (Sec. 1)



Fifty-sixth Legislature First Regular Session

House: TI DPA 10-0-1-0

HB 2292: motor vehicle dealers; sales; cancellation Sponsor: Representative Cook, LD 7 Caucus & COW

Overview

Permits a motor vehicle dealer, a purchaser and any lienholder to rescind or cancel the sale of any motor vehicle if all parties agree and outlined requirements are followed. Allows a motor vehicle dealer that is unable to obtain from the holder of a lien or encumbrance a certificate of title for a motor vehicle acquired through payoff of the lien or encumbrance to apply to the Arizona Department of Transportation (ADOT) for that certificate for resale. Makes changes to the requirements of an application for motor vehicle registration.

History

When a holder of a lien or encumbrance receives a payment in full satisfying the lien or encumbrance, the holder is required to release the lien or encumbrance and notify the owner of the vehicle at the address shown on the certificate of title or, if the holder of the lien or encumbrance has been previously notified of a sale or transfer of the vehicle, the person who is legally entitled to possession that ADOT has issued a certificate of title for the vehicle to.

If a holder of a lien or encumbrance who possesses the certificate of title refuses or fails to provide the certificate of title to the person who is legally entitled to possess the certificate on that person's request and within 15 business days after the holder receives payment, ADOT may impose and after the opportunity for an administrative hearing collect a civil penalty of:

- 1) \$50 if the certificate of title is surrendered within three additional business days; or
- 2) an additional \$50 for each day exceeding 18 business days that the certificate of title is not surrendered up to a maximum of \$500 for each certificate of title (A.R.S. § 28-2134).

A person may apply to ADOT for the registration of a motor vehicle, trailer or semitrailer on forms prescribed by ADOT. The registration application is required to contain:

- 1) the name and complete residence of the owner;
- 2) a description of the vehicle, including the serial number;
- 3) the date of sale by the manufacturer or dealer to the person first operating the vehicle, if it is a new vehicle;
- 4) a statement of whether the owner of the vehicle rents or intends to rent the vehicle without a driver; and
- 5) other facts required by ADOT (A.R.S. § 28-2157).

Provisions

Motor Vehicle Dealer Certificate of Title Application

- 1. Enables a motor vehicle dealer that is unable to obtain from the holder of a lien or encumbrance a certificate of title for a motor vehicle acquired through the payoff of a lien or encumbrance 20 days after the full payment to apply to ADOT for a certificate of title in the dealer's name for the purpose of resale. (Sec. 1)
- 2. Outlines what a motor vehicle dealer is required to include in an application to ADOT for a certificate of title in the dealer's name. (Sec. 1)

☐ Prop 105 (45 votes)	☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	☐ Fiscal Note

- 3. Specifies that a motor vehicle dealer that is issued a certificate of title after applying to ADOT assumes liability for any outstanding balance due to a holder of a lien or encumbrance and that the holder of the lien or encumbrance is permitted to take any legal action to collect the debt. (Sec. 1)
- 4. Describes that if the director of ADOT revokes the certificate of title issued to the motor vehicle dealer, ADOT may reissue the previous certificate of title for the motor vehicle. (Sec. 1)

Motor Vehicle Sale Rescission or Cancellation

- 5. Allows a motor vehicle dealer, a purchaser and any lienholder to rescind or cancel the sale of any motor vehicle if:
 - a. all parties agree to the rescission or cancellation;
 - b. all parties complete a return agreement;
 - c. the motor vehicle dealer returns all fees, taxes and other monies provided to the dealer as part of the sale by the rightful parties; and
 - d. the motor vehicle dealer documents the rescission or cancellation with ADOT if the motor vehicle dealer has already applied to ADOT for the certificate of title. (Sec. 6)
- 6. Directs a motor vehicle dealer to retain a return agreement with the motor vehicle sales records. (Sec. 6)
- 7. States a canceled or rescinded sale invalidates any requirements for a motor vehicle dealer to submit an application for a certificate of title or remit any fees or taxes if the application, fees and taxes have not been remitted. (Sec. 6)
- 8. Requires a motor vehicle dealer to document the rescission or cancellation of a sale with ADOT and return to the rightful parties all fees, taxes and other monies in a way prescribed by ADOT if the motor vehicle dealer has already submitted to ADOT an application for a certificate of title or has remitted taxes or fees. (Sec. 6)
- 9. Requires the documentation to ADOT to:
 - a. be completed and submitted to ADOT within 15 days after the date the parties agreed to cancel or rescind the sale:
 - b. include a copy of the return agreement; and
 - c. include a certificate of title if it has been issued or an attestation that the certificate of title has been lost or destroyed. (Sec. 6)
- 10. Requires ADOT within seven days of receiving the documentation to:
 - a. rescind, cancel or revoke any application for a certificate of title or any issued certificate of title;
 - b. refund to the motor vehicle dealer any fees and taxes paid to ADOT, except for the \$4 certificate of title fee and other exempted fees; and
 - c. issue a certificate of title to the motor vehicle dealer that shows the dealer as the owner and the odometer mileage reading as recorded at the time of the canceled or rescinded sale. (Sec. 6)
- 11. Specifies that a motor vehicle whose sale is canceled or rescinded may not be offered for retail sale until the motor vehicle dealer has received the certificate of title from ADOT. (Sec. 6)
- 12. Specifies a rescission or cancellation of a motor vehicle sale does not negate that the motor vehicle has been the subject of a previous retail sale. (Sec. 6)

Miscellaneous

- 13. Permits an application for the registration of a motor vehicle, trailer or semitrailer to contain a unique identifier such as a driver's license number instead of the owner's first and last name. (Sec. 2)
- 14. States a registration application must contain the residence address of the owner, instead of the complete residence address of the owner. (Sec. 2)
- 15. Asserts ADOT may only require additional facts in a registration application if ADOT has reasonable suspicion that the application is connected to fraud. (Sec. 2)
- 16. Specifies that the permanent record a licensed wholesale motor vehicle dealer or broker is required to keep may be in an electronic format. (Sec. 4)
- 17. Allows a motor vehicle dealer to give a customer an electronic contract, instead of a written contract. (Sec. 4)
- 18. Directs that a motor vehicle dealer cannot advertise or offer for sale or exchange any specific motor vehicle unless the motor vehicle is directly available to the dealer, instead of the vehicle being available to the dealer directly from the manufacturer or distributor of the vehicle. (Sec. 5)
- 19. Makes technical changes. (Sec. 1-3)

Amendments

Committee on Transportation and Infrastructure

- 1. Removes the language that outlines the process of a motor vehicle dealer applying to ADOT for a certificate of title in the dealer's name if the motor vehicle dealer is unable to obtain the certificate of title from the holder of the lien or encumbrance.
- 2. Clarifies the driver's license number used on a registration application must be a valid United States driver's license number.
- 3. Requires the recission or cancelation of a motor vehicle sale to take place within thirty days after the purchase.



Fifty-sixth Legislature First Regular Session

House: WM DP 6-4-0-0 | APPROPS 9-5-0-1

HB 2003: corporate income tax; rates Sponsor: Representative Livingston, LD 28 **Caucus & COW**

Overview

Reduces the corporate income tax rate from 4.9% to:

- 4.0% for TY23;
- 3.5% for TY24;
- 3.0% for TY25; and,
- 2.5% for TY26 and each year thereafter.

History

The corporate income tax rate is currently the greater of \$50 or 4.9% of net income. The rate has previously been reduced from a rate of 6.968 for TY13 to the current rate of 4.9% beginning in TY17. (A.R.S § 43-<u>1111</u>)

Provisions

Reduces the rate to:

- a. 4.0% for TY23;
- b. 3.5% for TY24;
- c. 3.0% for TY25; andd. 2.5% for TY26 and each year thereafter. (Sec. 1)
- 1. Makes technical changes. (Sec. 1)

☐ Prop 105 (45 votes)	☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	



Fifty-sixth Legislature First Regular Session

House: WM DP 10-0-0-0

HB 2008: ASRS; contribution prepayment Sponsor: Representative Livingston, LD 28 Caucus & COW

Overview

Allows employers to elect a short-term investment rate of return and eliminates the requirement that employers elect an amortization schedule for their prepaid contributions within a specified period of time when they have entered a contribution prepayment program with the Arizona State Retirement System (ASRS).

History

Employers are required to pay contributions based on a percentage of compensation for eligible employees. The required employer contributions are determined on an annual basis by an actuary selected by the ASRS Board. The contributions made by an employer are allocated to the ASRS Trust Fund are irrevocable and used as benefits for the ASRS or to pay expenses of the ASRS. Additionally, employers may enter into a written agreement with ASRS and enter a contribution prepayment program to prepay their 401(a) pension contributions. (A.R.S § 38-737)

- 1. Allows employers to elect s short-term investment rate of return, if available and agreed to by ASRS. (Sec. 1)
- 2. Removes the requirement that employers immediately elect an amortization schedule for their prepaid contributions. (Sec. 1)
- 3. Makes conforming changes. (Sec. 1)



Fifty-sixth Legislature First Regular Session

House: WM DP 10-0-0-0

HB 2009: ASRS; retirement application; changes Sponsor: Representative Livingston, LD 28 Caucus & COW

Overview

Allows members to change retirement application information within 60 days of the member's retirement date

History

The Arizona State Retirement System (ASRS) is a benefit plan designed to provide benefits to members entitled to benefits under their defined contribution program. The ASRS aims to provide an incentive for recruiting high quality employees, encourage employees to remain in service for periods of time that will provide public employers with the full benefit of the employee training and experience and contribute toward providing a total compensation package that is generally equivalent to comparable employment in other public and private organizations in this state. (A.R.S. § 38-712)

To create a degree of security for ASRS members, a public employee's retirement trust fund was established. All assets and monies of the ASRS are a part of the trust fund as well as all accounts, depositories and funds. (A.R.S. § 38-712)

- 1. Allows members to make changes to a retirement application before the member's retirement date. (Sec. 2)
- 2. Grants members a one-time election to make changes to their retirement application within 60 days after the member's retirement date. (Sec. 2)
- 3. Specifies that any changes made to the retirement application are retroactive to the members retirement date. (Sec. 2)
- 4. Makes conforming changes. (Sec. 1, Sec. 2)

☐ Prop 105 (45 votes)	☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	☐ Fiscal Note	



Fifty-sixth Legislature First Regular Session

House: WM DP 10-0-0-0

HB 2015: retirement plans; plan election; rehire Sponsor: Representative Livingston, LD 28 Caucus & COW

<u>Ov</u>erview

Allows rehired Public Safety Personnel Retirement System (PSPRS) members to make new retirement benefit plan elections within 90 days after their date of hire.

History

Statute states that any election made under this section is irrevocable and is the employee's election for the remainder of the employee's employment with any employer under the system, regardless of whether the employee's employment is continuous. (A.R.S. § 38-842.01)

Additionally, since PSPRS had historically been only a defined benefit plan, it was not known if the Internal Revenue Service (IRS) would allow for a member to transfer from one type of plan to another when there are changes in employment. To ensure that the PSPRS tax exempt status was not put at risk, the statutory language, as stated above, was written as an irrevocable election. The IRS has since clarified that members are allowed to make a new plan selection if there is a legitimate separation of service or a change in employers.

- 1. Allows a rehired employee in compliance with A.R.S. § 38-843.05 to make a new election before the 90th day after the date of hire. (Sec. 1)
- 2. Provides that if an employee does not make a new election within 90 days, the employee's previous election will continue. (Sec. 1, 3)
- 3. Removes specification regarding the corrections office retirement plan. (Sec. 2)
- 4. Allows a rehired employee in compliance with A.R.S. § 38-891.01 to make a new election before the 90th day after the date of hire. (Sec. 3)

☐ Prop 105 (45 votes)	☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	☐ Fiscal Note	



Fifty-sixth Legislature First Regular Session

House: WM DP 10-0-0-0

HB 2029: ASRS; supplemental deferral plan; participation Sponsor: Representative Livingston, LD 28 Caucus & COW

Overview

Allows a political subdivision and political subdivision entities that do not already participate in the Arizona State Retirement System (ASRS) to allow their employees to participate solely in an ASRS supplemental employee deferral plan.

History

ASRS is allowed to establish a supplemental employee deferral plan for employees of ASRS employers. A supplemental employee deferral plan is a tax deferred annuity, as described in the Internal Revenue Code (IRC), and that complies with the sections of the IRC under which the plan is adopted and maintained. (A.R.S. § 38-781)

- Allows employees of a political subdivision and political subdivision entities that are not participating in ASRS to elect to allow their employees to participate in a supplemental employee deferral plan. (Sec. 1)
- 2. Specifies that a political subdivision or political subdivision entity that participates in a supplemental employee deferral plan is not an ASRS employer and that the employees are not ASRS members. (Sec. 1)
- 3. Makes conforming changes. (Sec. 1)

☐ Prop 105 (45 votes)	☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	☐ Fiscal Note



Fifty-sixth Legislature First Regular Session

House: WM DP 6-4-0-0

HB 2061: food; municipal tax; exemption.

Sponsor: Representative Biasiucci, LD 30

Caucus & COW

Overview

Prohibits a city, town or other taxing jurisdiction from imposing a municipal transaction privilege tax on the sale of food items intended for home consumption.

History

Current state law provides a tax exemption for specific sales of food (<u>A.R.S. § 42-5102</u>) however it also allows a city, town or other taxing jurisdiction to impose a municipal transaction privilege tax on food items intended for home consumption. (<u>A.R.S. § 42-6015</u>)

- 1. Prohibits a city, town or other taxing jurisdiction from imposing a municipal transaction privilege tax on the sale of food items intended for home consumption. (Sec. 1)
- 2. Makes this act effective on the first day of the month following the general effective date. (Sec. 2)
- 3. Makes conforming changes. (Sec. 1)

☐ Prop 105 (45 votes)	☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	



Fifty-sixth Legislature First Regular Session

House: WM DP 9-1-0-0

HB2064: property tax exemption; disability; qualifications
Sponsor: Representative Carter, LD 15
Caucus & COW

Overview

Defines competent medical authority and person with a total and permanent disability as the terms relate property tax exemptions of widows and widowers, persons with a total and permanent disability and veterans with a disability.

History

As defined in statute, the maximum exemption allowed to a widow or widower and a person with a total and permanent disability is \$4,188, if the individuals total assessment does not exceed \$28,459. For veterans, the \$4,188 is further limited by multiplying the total exemption amount by the percentage of the veteran's disability, which is rated by the United States department of veteran affairs. (A.R.S. § 42-11111)

- 1. Defines competent medical authority and person with a total and permanent disability. (Sec. 1)
- 2. Makes conforming changes. (Sec. 1)

☐ Prop 105 (45 votes)	☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	☐ Fiscal Note	



Fifty-sixth Legislature First Regular Session

House: WM DP 6-4-0-0

HB 2067: residential leases; municipal tax exemption Sponsor: Representative Carter, LD 15 Caucus & COW

Overview

Prohibits municipalities from levying municipal tax on the business of renting or leasing real property for residential purposes effective January 1, 2024.

History

Residential rental is the rental of real property for a period of 30 or more consecutive days for residential purposes only. Residential rental properties are subject to transaction privilege tax and imposed when engaged in business under the residential rental classification by the <u>Model City Tax Code</u>. Some cities, not all, opt to tax residential rental income under <u>Section 445</u> of the Model City Tax Code.

- 1. Prohibits a city or town from levying a tax on the business of renting or leasing property for residential purposes. (Sec. 1, 4, 5)
- 2. Prohibits a county from levying a tax on the business of renting or leasing property for residential purposes. (Sec. 2)
- 3. Establishes that this preemption does not apply to healthcare facilities, long-term care facilities, hotels, motels or other transient lodging businesses. (Sec. 4)
- 4. Applies the tax prohibition regardless of whether the municipality has adopted the model city tax code. (Sec. 4)
- 5. Repeals A.R.S. § 42-6011, which addresses municipal transaction privilege tax rates on residential rentals. (Sec. 5)
- 6. Requires the owner of a residential rental property to reduce the amount of rent due by an amount equal to the difference caused by the elimination of the municipal TPT on renting or leasing real property for residential purposes. (Sec. 7)
- 7. Requires the Department of Revenue (DOR) to notify affected property owners of the elimination of the municipal TPT and outlines procedures for sending notice. (Sec. 8)
- 8. Repeals the rent reduction and DOR notification of property owners on January 1, 2027. (Sec. 7, 8)
- 9. Contains a legislative intent clause. (Sec. 9)
- 10. Contains an effective date of January 1, 2024. (Sec. 10)
- 11. Makes technical and conforming changes. (Sec. 1, 2, 3, 4, 6)

☐ Prop 105 (45 votes)	☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	



Fifty-sixth Legislature First Regular Session

House: WM DP 10-0-0-0

HB 2383: conformity; internal revenue code.

Sponsor: Representative Carter, LD 15

Caucus & COW

Overview

Conforms Arizona tax statutes to the Internal Revenue Code (IRC) as amended and in effect as of January 1, 2023, to reflect changes adopted by the U.S. Congress, including those provisions that became effective during 2022 with the specific adoption of all retroactive dates.

<u> History</u>

Current law conforms Arizona's income tax calculation to the IRC of 1986, as amended, in effect on March 11, 2021, along with all federal retroactive dates, but excluding any change to the IRC enacted after March 11, 2021. (A.R.S. § 43-105)

Generally, each year changes are made to the IRC that affect the Arizona income tax calculation. Tax conformity with the IRC is deemed necessary because the calculation of Arizona corporate income tax begins with federal taxable income and the federal adjusted gross income is the starting point for individual income tax.

- 1. Amends the definition of internal revenue code. (Sec. 1)
- 2. Conforms Arizona's income tax calculation for taxable years beginning January 1, 2023 to the IRC of 1986, as amended, in effect on January 1, 2023, including those provisions that became effective during 2022 with the specific adoption of all retroactive effective dates including the provisions of the CHIPS and Science Act of 2022 (P.L. 117-167), the Inflation Reduction Act of 2022 (P.L. 117-169) and the Consolidated Appropriations Act, 2023 (P.L. 117-328) that are retroactively effective during Tax Year 2022. (Sec. 2)
- 3. Makes technical and conforming changes. (Sec. 1, 2)

☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	☐ Fiscal Note	
	□ Prop 108 (40 votes)	□ Prop 108 (40 votes) □ Emergency (40 votes)	□ Prop 108 (40 votes) □ Emergency (40 votes) □ Fiscal Note